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ROK, Japan, U.S. Meet on Strategy for DPRK

SK1308055693 Seoul YONHAP in English 0535 GMT 13 Aug 93

[Text] New York, Aug. 12 (YONHAP)—South Korea reaffirmed with Japan and the United States Thursday that inter-Korean dialogue has to precede further Pyongyang-Washington meetings.

Even if a Pyongyang-Washington meeting does take place, it will have to produce substantial results on the North Korean nuclear issue before it is allowed to continue, the three countries confirmed in tripartite talks here.

Chang Chae-yong, the South Korean Foreign Ministry's director- general for American affairs, Tom Hubbard, deputy assistant secretary of state for East Asia and Pacific affairs, and Yoshiyuki Takano, deputy director-general of Asian Affairs Bureau of Japanese Foreign Ministry, came together here for coordination on North Korean nuclear situation.

The three sides, registering concern that North Korea is yet to start negotiations with the International Atomic energy agency (IAEA) on resuming inspection of its suspected facilities, agreed that Pyongyang-Washington talks will have to be arranged depending on the progress of inter-Korean and Pyongyang-IAEA talks.

North Korea and the United States met for two rounds of talks, and a third round is expected sometime in mid-September.

Even if the third round does open, it will not automatically guarantee further meetings unless there is progress on the nuclear agenda, the three parties agreed.

This is taken to mean that the three countries will not allow the matter to drag on or get entangled in North Korea's delay tactic.

IAEA Spokesman on DPRK Nuclear Inspections

SK2808015693 Seoul YONHAP in English 0143 GMT 28 Aug 93

[Text] Paris, Aug. 28 (YONHAP)—The International Atomic Energy Agency (IAEA) will seek ways to resume full-fledged inspection of North Korea's nuclear facilities at talks in Pyongyang beginning on Aug. 31, IAEA spokesman Hans Meyer said here on Friday.

Meyer said that the IAEA hopes to make overall inspections of North Korean nuclear sites as soon as possible.

The IAEA doesn't want to talk about the issue of impartiality of the inspection, he said of a report by Pyongyang's official Korean Central News Agency that the North Koreans will focus on IAEA fairness in nuclear inspections at the talks.

The IAEA will make efforts to solve all matters related to North Korea's nuclear problem, including resumption of full-fledged inspection according to the nuclear safeguards agreement, Meyer said.

Pyongyang is suspected of developing nuclear weapons at two installations in Yongbyon. When the IAEA demanded to see the suspected facilities early this year, North Korea refused and announced plans to withdraw from the Nuclear Nonproliferation Treaty. It later climbed down on the threat.

Meyer said that five IAEA delegates, including Bruno Pellaud, deputy director-general, will leave this weekend and meet up in Beijing to enter North Korea together on Monday [30 August].

Both Koreas Urge UN Probe on 'Comfort Women'

SK1108040193 Seoul YONHAP in English 0142 GMT 11 Aug 93

[Text] Brussels, Aug. 11 (YONHAP)—North and South Korea, in separate speeches at a meeting on human rights, called on the United Nations on Tuesday to form a special investigation team to look into Japan's use of Korean women as sex slaves for its army during World War II.

South Korea's delegate, saying that the Japanese Government's report on the issue last week was not satisfactory, demanded that the world body form a team of special investigators to delve into the truth of the so-called Korean comfort women of the Japanese Army during World War II, adding that South Korea would willingly cooperate with such a team.

Speaking before the South Korean delegate, the North Korean delegate also requested the United Nations appoint a special investigator to bring to light everything about Japan's infringement upon Korean women's human rights during the war.

Japan had distorted the facts and avoided responsibility by saying in last week's report that the army brothels had been run by private businessmen, he said. The report, based on insufficient investigation, failed to contain a plausible apology or adequate compensation, he noted.

He demanded that Japan have direct talks with North Korea, saying that Japan should bear legal and moral responsibility for all the Koreans who were coercively mobilized for its war effort.

The Japanese delegate postponed his speech to a later meeting as U.N.-registered non-government organizations such as the international education development and the world council of churches demanded a thorough investigation into the issue and compensation by Japan.

Japan

U.S. Welcomes Stance on Nonproliferation Treaty

OW2608003893 Tokyo KYODO in English 2326 GMT 25 Aug 93

[Text] Washington, Aug. 25 KYODO—The United States on Wednesday [25 August] welcomed Japanese Prime Minister Morihiro Hosokawa's commitment to support an indefinite extension of the Nuclear Non-Proliferation Treaty.

Hosokawa, the new prime minister who took office August 9, announced Japan's commitment in a policy address to the Japanese Diet (parliament) on Monday.

"The United States warmly welcomes this action by Prime Minister Hosokawa," State Department Spokesman Michael McCurry said in a statement. McCurry said the U.S. "attaches tremendous importance" to international efforts seeking an indefinite extension of the nonproliferation pact when it comes up for renewal in 1995.

Japan triggered international concern in July when word came out that Japanese objection blocked inclusion of an endorsement of indefinite extension of the nonproliferation pact at the Group of Seven summit meeting in Tokyo.

Some U.S. commentators speculated that Japan was reserving its right to go nuclear but State Department officials said Washington has never doubted the Japanese commitment to uphold its nonnuclear policy. "We understand it was purely domestic politics," a State Department official said.

Company Ordered To Stop Copyright Infringement

OW3008142993 Tokyo KYODO in English 1337 GMT 30 Aug 93

[Text] Tokyo, Aug. 30 KYODO—The Tokyo District Court on Monday [30 August] ordered an information service company in Tokyo to stop summarized translation and sale of articles from the WALL STREET JOURNAL.

Presiding Judge Kazuo Ichimiya said the company, Knowhow Japan, has infringed the copyright of New York-based Dow Jones and Co., publisher of the major U.S. daily economic newspaper. The Tokyo-based company said it will consider an appeal to a higher court.

Knowhow Japan has summarized and translated WALL STREET JOURNAL articles from English to Japanese since September 1986 and sold them to its subscribers for 30,000 yen per month, according to the ruling.

Ichimiya said the copyright is protected even in mere facts or data if originality of the editor exists in the selection or arrangement. The summary service provided information in the same manner of selection and arrangement as the newspaper, the judge said.

Dow Jones filed a provisional suit in the Tokyo District Court in October 1989, demanding Knowhow Japan stop its service. The court issued a temporary injunction against the Tokyo company on September 1991. The Japanese firm then filed the lawsuit, objecting to the injunction.

RTRI Reportedly To Buy Cray Supercomputer

OW2408145593 Tokyo KYODO in English 1024 GMT 24 Aug 93

[Text] Tokyo, Aug. 24 KYODO—The Railway Technical Research Institute [RTRI] has decided to purchase a supercomputer from Cray Research Inc. of the United States, industry sources reported Tuesday [24 August].

The sources said a formal contract will be signed in early September for installation of the machine by the end of the year.

Details of the contract, including costs, were not immediately disclosed but sources close to Cray research termed the deal "medium-scale." The sources said the institute, affiliated with a group of seven Japanese railway companies, decided to switch to Cray Research because the processing capacity of a Japanese-made supercomputer in service has fallen short of requirements.

Japanese corporations, including Nippon Telegraph and Telephone Corp. and Toyota Motor Corp., have already introduced nearly 40 supercomputers made by Cray Research.

Japan has come under pressure from the U.S. to increase procurement of U.S.-made supercomputers by government institutions.

Tokyo Plans Medical Aid to Former Soviet States

OW2308132193 Tokyo KYODO in English 1227 GMT 23 Aug 93

[Text] Tokyo, Aug. 23 KYODO—The government decided Monday [23 August] to provide medicine and medical equipment to Georgia, Tajikistan and Kyrgyzstan in urgent humanitarian aid to the former Soviet states, officials said. The aid is part of 100 million dollars in humanitarian aid that Japan pledged last October.

The government will dispatch about five tons of medical supplies worth 32,500 dollars to war-torn Georgia and Tajikistan and about one ton worth 6,500 dollars to Kyrgyzstan, the officials said.

80% of Russian Far East Joint Ventures Inactive

OW2408085493 Tokyo KYODO in English 0812 GMT 24 Aug 93

[Text] Tokyo, Aug. 24 KYODO—Less than 20 percent of joint ventures in the Russian Far East were in operation as of January this year, a governmental trade organization reported Tuesday [24 August]. The Japan External Trade Organization (Jetro) said a survey found that there were 916 registered ventures in the region, of which only 172 or 18.8 percent were in operation.

Joint ventures involving Japanese enterprises accounted for 196 or 21.4 percent of the total, ranking second to China with 236, Jetro said. It said about 90 percent of foreign companies involved in the ventures were medium and small enterprises.

Firms associated with natural resources, raw materials and service industries, including hotels, were faring well but their number was unknown, the organization said.

Most joint ventures in operation were reported to have broken even or incurred losses largely because of political instability in the country and unfavorable investment environment, including a lack of legal preparations, it said. Two Japanese companies withdrew from manufacturing and fisheries ventures in 1992 because of poor business results, the organization said.

Chernomyrdin Kurils Remark 'Utterly Unacceptable'

OW2708155393 Tokyo KYODO in English 1511 GMT 27 Aug 93

[Text] Tokyo, Aug. 27 KYODO—Japan pressed Russia on Friday [27 August] to explain a controversial remark made earlier this month by Prime Minister Viktor Chernomyrdin who denied the existence of a bilateral territorial row, Foreign Ministry sources said.

"Deputy Foreign Minister Hiroshi Fukuda told the Russian side the recent remark by Prime Minister Chernomyrdin is utterly unacceptable," said a source, who spoke on condition of anonymity.

The source, who accompanied Fukuda to the day's talk with Russian Deputy Foreign Minister Georgiy Kunadze, was responding to reporters' questions on the remark by the Russian prime minister on August 17 during a trip to the Russian Far Eastern region. Speaking of the relationship between Russia and Japan, Chernomyrdin reportedly said, "we have no territorial problems now." He also said, "as long as the current (Russian) cabinet exists, we will never hand over any part of our territories."

The ministry source said Kunadze "did not apologize about the remark by Prime Minister Chernomyrdin." Instead, Kunadze referred to the statement made by President Boris Yeltsin at an August 19 news conference in which he defended the remark as "one of the many options" Moscow is considering.

Kunadze is on a two-day visit here prior to a promised mid-October visit by Yeltsin. He and Fukuda held the meeting at the ministry's Iikura Guesthouse in Tokyo.

The source quoted Fukuda as telling Kunadze, "It is indispensable for President Yeltsin to recognize the achievements of past bilateral negotiations on the territorial issue as the important starting point for his visit to Japan." Fukuda was apparently referring to the 1956 pact signed by then Soviet Leader Nikita Khrushchev and Japanese Prime Minister Ichiro Hatoyama, which mandated the return of two of four Russian-held islands upon the conclusion of a peace treaty.

The decade-old territorial fray revolves around four islands off Japan's northern shore—Etorofu, Shikotan, Kunashiri and the Habomai group of islets. A 1956 pact between the former Soviet Union and Japan spoke of the return of the Habomais and Shikotan Island once a peace treaty was concluded.

The ministry source suggested that both sides exchanged jabs over the wording of diplomatic documents to be signed by Yeltsin and Prime Minister Morihiro Hosokawa during the Russian leader's Japan trip, including the issue of whether to include wording reaffirming the validity of the 1956 pact.

Russian presidential spokesman Anatoliy Krasikov described the 1956 pact as "unrealistic" on the same day Chernomyrdin made the remark which infuriated Tokyo.

In a separate meeting with Kunadze, Foreign Minister Tsutomu Hata said Japan's new coalition government will maintain the former administrations' stand of linking major aid to Moscow's concessions in a territorial row, Japanese officials said. Hata conveyed the position to Kunadze, who arrived for a two-day visit ahead of President Boris Yeltsin's projected trip to Tokyo.

These contacts marked the first direct exchange of views between the two nations on the territorial row since the coalition government seized power from the Liberal Democratic Party [LDP] earlier this month.

Hata told Kunadze the new government's basic policy is to "conclude a peace treaty and normalize the bilateral relations completely by resolving the northern territorial problem," according to a ministry statement released to the press.

Although Japan is aware of Russia's various difficulties, the two countries should make headway, rather than go backward, in resolving the northern territorial issue, Hata was quoted as saying.

Kunadze proposed holding summit talks between Yeltsin and Japan's new Prime Minister Morihiro

Hosokawa "more frequently" than those held between Yeltsin and Hosokawa's predecessors, according to the statement.

The Russian official also said there is no alteration in Russia's desire to normalize the bilateral relations, according to the statement. Kunadze, however, stopped short of indicating any readiness to comply with Japan's policy of linking major aid to progress in the territorial negotiations.

Hata expressed hope that the Russian Government will not stray from Yeltsin's self-professed policy of dealing with the territorial issue on the basis of the principle of "law and justice."

Successive LDP governments have interpreted Yeltsin's vow to pursue "law and justice" in regards to this row as implying Moscow's readiness to make some progress in the face of Japanese request to revive its sovereignty over the four islands.

Hata also expressed Japan's willingness to support Moscow's efforts to transform its heavily-subsidized, centrally-planned economy into a market economy and bring about democratic reforms.

No Agreement on Itinerary for Yeltsin Visit

OW2808055093 Tokyo KYODO in English 0538 GMT 28 Aug 93

[Text] Tokyo, Aug. 28 KYODO—Japan and Russia failed on Saturday [28 August] to agree on an itinerary for Russian President Boris Yeltsin's visit to Japan planned in mid-October, Foreign Ministry officials said.

Deputy Foreign Minister Hiroshi Fukuda and his Russian counterpart Georgiy Kunadze ended two days of talks on bilateral relations without any agreement on a concrete schedule for Yeltsin's visit to Tokyo, according to the officials.

Working-level contacts on the matter will continue until late September, when foreign ministers of the two countries are scheduled to meet in New York, the officials said.

The Russian president abruptly canceled planned visits to Tokyo last May and September. Yeltsin said he wanted to reschedule his Tokyo trip for mid-October when he met with then Prime Minister Kiichi Miyazawa at the Group of Seven (G-7) summit meeting in Tokyo in July.

Russian Officials' Remarks Cited

OW2808084793 Tokyo KYODO in English 0820 GMT 28 Aug 93

[Text] Tokyo, Aug. 28 KYODO—Japan and Russia wrapped up two days of talks on a territorial row Saturday [28 August] without any progress that would produce accord on the date of a promised visit in October by Russian President Boris Yeltsin, a Foreign Ministry official said.

The lack of progress over the dispute over the sovereignty of four Russian-held islands claimed by Japan may dash any hope of the presidential visit, the official said.

Japan intends to keep up working-level contact with Russia on the matter until late September, when the foreign ministers of the two countries are scheduled to meet in New York, according to ministry sources.

The gap was spotlighted when Japan denounced Russian Prime Minister Viktor Chernomyrdin for renewing his vow not to return the islands seized by the Soviet Army at the end of World War II, the official said.

"Deputy Foreign Minister (Hiroshi) Fukuda told the Russian side that (Friday's) statement by Prime Minister (Victor) Chernomyrdin is utterly unacceptable," said the official who briefed reporters on a meeting between Fukuda and Russian Deputy Foreign Minister Georgy Kunadze. Chernomyrdin was quoted on Friday by the ITAR-TASS news agency as saying, "the Kurils will not be ceded to Japan while I head the government."

The Soviet Army overran the 18 Kuril Islands in the waning days of World War II. Japan claims the southernmost four from which the Soviet Army expelled Japanese islanders.

Chernomyrdin was also quoted by the news agency as saying Yeltsin in reality shares his stance on the long-standing territorial dispute with Japan.

The Russian prime minister enraged Tokyo only 11 days ago with a similar remark denying even the existence of the territorial row and ruling out any readiness to hold negotiations with the Japanese on that matter. The premier reportedly said, "as long as the current (Russian) Cabinet exists, we will never hand over any part of our territories."

The Japanese official said Kunadze again sought to soften Tokyo's ire by saying that Yeltsin's position is necessarily not identical to that of Chernomyrdin.

"Deputy Foreign Minister Kunadze again referred to the remark by President Yeltsin at a news conference (on August 19)," he said. Yeltsin told the news conference Chernomyrdin's statement denying any intention to return the islands is merely "one of the many options" Moscow is considering.

Chernomyrdin, however, reaffirmed his unconciliatory territorial stand on the same day when Japanese Foreign Minister Tsutomu Hata told Kunadze in a separate meeting the new Japanese Government will follow the previous administrations' policy of linking major economic aid to Moscow's concessions in the row.

Hata told Kunadze the new government's basic policy is "to conclude a peace treaty and normalize the bilateral relations by resolving the northern territorial problem," Japanese officials said.

The meeting between Kunadze and senior Japanese diplomats marked the first direct exchange of views after the government of Prime Minister Morihiro Hosokawa wrested power from the Liberal Democratic Party earlier this month. The meeting came prior to a promised visit in mid-October by Yeltsin to Tokyo.

Yeltsin vowed to visit Japan in a meeting with then Prime Minister Kiichi Miyazawa in July when he was in Tokyo to attend the Tokyo summit of the seven major powers.

The official suggested that both sides exchanged jabs over the issue of whether to reaffirm the validity of the 1956 bilateral pact that mandated the return of two of the four islands upon the conclusion of a peace treaty. Asked about whether the Russian side agreed to reaffirm the validity of the pact, he said, "I withhold my comments on that point."

The pact calls for the return of Shikotan Island and the Habomai group of islets once a peace treaty is concluded.

Russian Presidential Spokesman Anatoly Krasikov described the pact as "unrealistic" on August 17—the very same day Chernomyrdin's initial remark infuriated Tokyo.

Use of Diplomatic Channels Planned

OW3008102193 Tokyo KYODO *in English 0954 GMT 30 Aug 93*

[Text] Tokyo, Aug. 30 KYODO—Russia seems "serious" about realizing a twice-canceled visit to Japan by Russian President Boris Yeltsin in mid-October, Vice Foreign Minister Kunihiko Saito said Monday [30 August].

Saito told reporters he got the impression from talks last week in Tokyo between Hiroshi Fukuda, deputy foreign minister, and his Russian counterpart Georgy Kunadze. Describing the two-day talks as "beneficial," Saito said Russia seemed eager to reach accord on documents to be approved during a Yeltsin visit.

"If Russia thinks the visit is not necessary as some reports from Russia say, I don't think they would participate so keenly in discussions on the various documents," he said.

Yeltsin abruptly canceled planned visits to Japan last September and again earlier this year. On his first cancellation, he initially cited domestic problems but later blamed the Japanese for their tough stance on a long-standing territorial dispute.

The row over four Russian-held islands off Hokkaido claimed by Japan has prevented the two sides from concluding a peace treaty.

Yeltsin vowed to make a state visit to Japan when he attended the Tokyo summit of the group of seven economic powers.

Earlier this month, Russian prime minister Victor Chernomyrdin denied the territorial dispute's existence and said the Russian Cabinet adopts the same stance. Yeltsin told a news conference Chernomyrdin's statement reflects "one of the many options" Moscow is considering.

In the talks held last Friday and Saturday, Japan and Russia failed to agree on the specific date of Yeltsin's visit.

Saito said neither side acknowledged that specifying the visit's date was necessary during those talks, not because discussions were deadlocked. He said Tokyo and Moscow will discuss the dates through diplomatic channels.

Croatia Names Envoy; To Open Embassy in Tokyo

OW2708104793 Tokyo KYODO *in English 1033 GMT 27 Aug 93*

[Text] Tokyo, Aug. 27 KYODO—Croatia will open an embassy in Tokyo on September 3, the country's office here announced Friday [27 August]. Midhat Arslanagic, head of the office, will be the first Croatian ambassador to Japan, it said.

The embassy's address will be 1-21-22, Higashiyama, Meguro Ward.

Croatia declared independence in June 1991, seceding from Yugoslavia.

'Suprapartisan' Probe Launched Into Kim Abduction

OW2608141393 Tokyo KYODO *in English 1206 GMT 26 Aug 93*

[Text] Tokyo, Aug. 26 KYODO—A suprapartisan Diet committee launched an investigation Thursday [26 August] into the 1973 abduction of South Korean opposition leader Kim Dae-chung from a Tokyo hotel. The formation of the 24-member committee, headed by House of Councillors' lawmaker Hideo Den, coincides with the activities of a counterpart committee formed recently by South Korea's leading opposition Democratic Party.

The committee, which also includes a number of academics and cultural personages, plans to gather information about the kidnapping and then meet with the South Korean committee when it comes to Japan next month. The committee urged the cooperation of the Japanese Government in clarifying the circumstances surrounding the much-speculated kidnapping.

On August 8, 1973, Kim Dae-chung was kidnapped from the hotel Grand Palace in central Tokyo by a group of unidentified men and reappeared battered and bruised five days later at his home in Seoul. Immediately after the abduction, Japanese investigators discovered fingerprints of a South Korean Embassy official at the hotel, but the case was never solved.

Then South Korean Prime Minister Kim Chong-pil visited Tokyo to apologize and smooth out strained relations with the administration under Prime Minister Kakuei Tanaka. It was widely believed that President Pak Chung-hee, who narrowly won the 1971 presidential election over Kim, had been seeking to eliminate the charismatic opposition leader.

Last week, President Kim Yong-sam, an opposition ally of Kim Dae-chung throughout three decades of military rule, instructed the government to make public all documents available on the abduction.

Tokyo Agrees To Provide Loan Package to PRC

OW2408091593 Tokyo KYODO in English 0820 GMT 24 Aug 93

[Text] Tokyo, Aug. 24 KYODO—Japan has agreed to provide 138.7 billion yen in a yen-denominated loan to China this fiscal year, the government said Tuesday [24 August]. It said Japan and China have exchanged documents in Beijing on the 30-year untied loan with a 10-year grace period and a 2.6 percent annual interest rate.

The loan, part of Japan's third package of yen-based loans to China, will be used for 18 projects, including fertilizer and power plant construction projects, government officials said.

The third package, worth a total 810 billion yen, is intended to finance 42 Chinese projects over a six-year period that started in fiscal 1990. The package was frozen following the bloody military crackdown on pro-democracy demonstrators in 1989 in Beijing's Tiananmen Square but resumed in 1990.

Under the resumed program, Japan provided 122.5 billion yen in fiscal 1990, 129.6 billion yen in fiscal 1991 and 137.3 billion yen in fiscal 1992.

China has caused alarm in other Asian countries by sharply increasing its defense spending in recent years.

The Japanese Foreign Ministry, however, said in the government's 1992 guidelines on official development assistance that it saw no problems in continuing yen-based loans to China.

Itochu Given 'National Treatment Status' in PRC

OW2908014493 Tokyo KYODO in English 0133 GMT 29 Aug 93

[Text] Tokyo, Aug. 29 KYODO—China has granted Itochu Corp. national treatment status, allowing the major Japanese trading house to conduct foreign currency exchanges and other business on a par with Chinese enterprises, the NIHON KEIZAI SHIMBUN reported Sunday [29 August].

The economic daily said Itochu will set up a fully owned subsidiary, Itochu Holdings Co., with a capitalization of 10 million dollars as early as September to control about 50 joint ventures with Chinese concerns. The approval was given by the Department of Foreign Economic Cooperation at the Ministry of Foreign Economic Relations and Trade, the report said.

Itochu, the first Japanese company to be granted nondiscriminatory status by the Chinese Government, plans to increase the capital to 50 million dollars within several years, it said. China has permitted international companies like Du Pont of the United States and Siemens A.G. to establish wholly owned subsidiaries of hold shares of their affiliates in China.

In China, national-treatment companies are given wide privileges to conduct business activities, including direct employment of Chinese, free sale and purchase of real estate, investment in local firms, and direct deals with Chinese companies.

Many Japanese trading houses have representative offices in Beijing, but their activities are limited to agency work.

Government Announces Loan Extension to Malaysia

OW2508022293 Tokyo KYODO in English 0101 GMT 25 Aug 93

[Text] Tokyo, Aug. 25 KYODO—The government announced Wednesday [25 August] that Japan has extended a total of 53.87 billion yen in loans to Malaysia.

Japan and Malaysia exchanged notes on the day for the loans, which will be used mainly for building two electric power generators and purchasing medical facilities for national universities, officials said. The latest loans bring to 584,819 million yen the aggregate total of Tokyo's yen credits to Malaysia.

The new loans will carry an interest rate of 3 percent a year, and a 25-year repayment period, with a grace period of seven years.

Tokyo Agrees To Reschedule Argentine Debt

OW2508234993 Tokyo KYODO in English 2303 GMT 25 Aug 93

[Text] Tokyo, Aug. 26 KYODO—Japan has agreed to reschedule repayments of official debts owed by Argentina, the government announced Thursday [26 August]. The announcement said the agreement, reached in bilateral negotiations held in Buenos Aires, covers the Argentine debts due between July 1992 and March 1995.

The debts include 13.7 billion yen owed to the Export-Import Bank of Japan, and 45.2 billion yen and 10.35 million dollars in the government's trade insurance.

The agreement calls for Argentina to repay the debts in 26 semiannual installments from May 1996, the announcement said.

The Export-Import Bank loan carries an annual interest rate of 6.0 percent while the trade insurance bears semiannually variable interest rates, it said. It is the fifth rescheduling of debts owed to Japan by Argentina, it said.

Tokyo, Ulaanbaatar Agree on Air Service Plan

OW2708082493 Tokyo KYODO in English 0754 GMT 27 Aug 93

[Text] Tokyo, Aug. 27 KYODO—Japan and Mongolia have agreed on a plan to operate two weekly flights between the two countries, the Transport Ministry said Friday [27 August].

The agreement came in preliminary government negotiations in Ulaanbaatar on inaugurating regular airline services, ministry officials said. Under the agreement, the flights by 150-seat Boeing 727 airliners would be operated between Ulaanbaatar and Kansai International Airport near Osaka, scheduled to open in September 1994, the officials said.

So far, Mongolian Civil Air Transport is the only airline that has applied for permission to operate the flights, they said. The Mongolian airline has operated 20 charter flights in summer from Ulaanbaatar to Nagoya and other Japanese destinations.

DA Gives Up 'Hope' of Increasing SDF Ranks

OW2608141593 Tokyo KYODO in English 1302 GMT 26 Aug 93

[Text] Tokyo, Aug. 26 KYODO—The Defense Agency [DA] gave up hope of further boosting the number of Self-Defense Forces (SDF) personnel, vice minister of the Defense Agency Shigeru Hatakeyama said Thursday [26 August].

Hatakeyama told a news conference that his agency will not move to submit to future parliamentary sessions proposals aimed at revising two defense laws stipulating the size of the Japanese Army. His remark means the agency will make no further efforts to increase the number of SDF officers after successfully revising the two laws 18 times since the agency's establishment in 1954.

Noboru Hoshuyama, director of the agency's secretariat, cited the anticipated decrease in the number of young people, the main candidates for SDF personnel, as the reason for not pushing for the increase in the personnel rolls.

The government in March 1990 sent to the Diet plans to boost the number of Maritime and Air Self-Defense Forces men by a total of 851 and that of reserve officers by 3,000 after cabinet approval. However, the proposals were carried over and scrapped in the last session of the Diet, which closed June 18, without no deliberations [as received] due to opposition mainly from the Social Democratic Party.

On the reasons for abandoning a bid to submit similar proposals to the Diet, Hatakeyama said the previous plans failed in Diet debates and he sees no prospect for the passage of fresh plans.

The move is thought to reflect the sentiment within some major political parties that an increase in the number of SDF personnel is unsuitable after slashing the defense budget last December for fiscal 1991-1995, military analysts said.

The government at that time decided to cut 580 billion yen from the 22.17 trillion yen defense budget due to relaxation of international tensions after the end of the Cold War.

In 1954, when the Defense Agency was founded, there were 130,000 troops in the Ground Self-Defense Force (GSDF), about 16,000 sailors in the Maritime Self-Defense Force (MSDF) and about 6,000 airmen in the Air Self-Defense Force (ASDF).

The agency had since boosted the number of personnel to the current level of 180,000 for the GSDF, 46,085 for the MSDF and 47,556 for the ASDF.

Although the number of GSDF personnel has not changed since 1973, those of MSDF and ASDF have witnessed a steady increase in step with the boost in the number of naval vessels and military aircraft.

Hosokowa: Reform of Upper House To Come Later

OW2708084093 Tokyo KYODO in English 0817 GMT 27 Aug 93

[Text] Tokyo, Aug. 27 KYODO—Prime Minister Morihiro Hosokawa said Friday [27 August] electoral reform in the House of Councillors should come after reform is first implemented in the House of Representatives.

Hosokawa, pointing out that the electoral reforms for both chambers are closely related, said at a upper house plenary session that the Diet should first deliberate reform for the lower house. He said the reforms should be carried out in a way that makes use of the two-chamber system in the parliament.

The government is seeking to revise the current multi-seat constituency for the 511-seat lower house to a combination of a single-seat constituency system and a proportional representation system.

The 252 members of the upper house are currently elected through proportional representation and from prefectural electoral districts.

But some oppose the introduction of the combined system to the lower house, saying that it will give no meaning to the upper house's existence.

In wrapping up three days of questioning on the policy speech Hosokawa made earlier this week, the prime minister said the coalition government has different characteristics than previous LDP-led administrations because of its attitude toward political reform.

"This government is a political reform government," he said. "Our top priority is to achieve political reform to win back public trust in politics." He said his government kept some policies from the previous government but that, as a whole, it basically has different policies.

"The change of government itself has affected the collusion among politicians, bureaucracy and industry," he said.

In regards to the international arena, Hosokawa said Japan does not intend to take special action on South Korea's Democratic Party demands for cooperation to investigate the 1973 abduction of South Korean opposition leader Kim Tae-chung from a Tokyo hotel because the South Korean Government has not asked for cooperation, or even asking for the releasing of documents on the incident.

Kim, who narrowly lost the presidential election to Pak Chong-hui in 1971 amid charges of irregularities, was kidnapped from the hotel Grand Palace in Tokyo on August 8, 1973. He surfaced five days later in Seoul and was placed under house arrest.

Turning to domestic problems, Hosokawa, a former governor of Kumamoto, said he wants to cautiously consider whether the government should accept a compromise plan suggested by the courts for victims of organic-mercury poisoning involving the so-called Minamata disease.

In response to a question by Wataru Kubo, acting chairman of the Social Democratic Party [of Japan] during the morning session, Hosokawa said he will use the diplomatic arena to carry out Japan's efforts to promote world peace, saying that is a key to winning support for a bigger Japanese role in UN peacekeeping operations.

"In my policy speech I expressed a feeling of deep remorse and apologies for the fact that our country's past acts caused unbearable suffering and sorrow for so many people. Japan will express its resolve to further contribute to world peace in the diplomatic arena," he said.

Hosokawa said he believes that Japan generally has the support of its neighbors in dispatching Self-Defense Forces personnel to Cambodia and Mozambique based on the UN Peacekeeping Cooperation Law, which was enacted in June last year.

Takemura on Economic Measures, Smaller Government

OW2808101493 Tokyo KYODO in English 0959 GMT 28 Aug 93

[Text] Yokaichi, Shiga Pref., Aug. 28 KYODO—The government of Prime Minister Morihiro Hosokawa will make the utmost effort to prop up the stagnant domestic economy, Chief Cabinet Secretary Masayoshi Takemura said Saturday [28 August]. Takemura, who spoke at a meeting celebrating his assumption of office, said the government will do all it can in putting into practice macroeconomic measures such as fiscal and monetary steps if necessary.

Referring to political reforms, the priority task laid down by the government, Takemura said he will push ahead efforts for a smaller government.

As an initial step toward this goal, the government is studying measures to ease restrictions now in place and transfer power to local entities, he said.

Ozawa Aims for Two-Party Political Realignment

OW3008042193 Tokyo KYODO in English 0410 GMT 30 Aug 93

[Text] Kannami, Shizuoka Pref. Aug. 30 KYODO—Shinseito (Japan Renewal Party) co-leader Ichiro Ozawa said Monday [30 August] that he will aim at revamping Japan's political system into one based on two major parties.

Speaking at a party seminar, Ozawa said, "that two and more political parties capable of taking charge of power should emulate each other is what parliamentary politics is all about."

Prime Minister Morihiro Hosokawa, who leads a seven-party coalition government, has said he favors "a moderate multiparty system."

Touching upon the coalition government which dislodged the Liberal Democratic Party (LDP) from decades of dominance in politics, Ozawa said, "this is not the final stage. The establishment of the coalition was one step toward breaking a collusive politics in which politicians (often) lie and skirt responsibility."

The coalition government took power early this month following the July election for the powerful House of Representatives, which was triggered by previous Prime Minister Kiichi Miyazawa's inability to enact long-awaited political reform to root out corruption.

Shinseito, an LDP breakaway led by Deputy Prime Minister and Foreign Minister Tsutomu Hata, is the second-largest party in the coalition.

Political Motive Suspected in Train Incident

OW3008082993 Tokyo KYODO in English 0714 GMT 30 Aug 93

[Text] Otsu, Aug. 30 KYODO—Police found a piece of paper carrying apparent political statements near where a length of steel chain tied to the track forced a Shinkansen Bullet Train to a halt Saturday [28 August] night in Hikone, Shiga Prefecture, police said Monday. The B4-sized paper carried the statements critical of the current political situation and was found near a hole made in a fence through which the culprit is believed to have intruded into the track area, police said.

The driver of the "Nozomi" (Hope) No. 303 Bullet Train made an emergency stop after the train ran over the chain near where there was a hole of some 50 centimeters in diameter in the fence, police said. The 1.5-meter-long piece of chain had a diameter of about one centimeter.

The culprit is still at large.

The handwritten statements did not carry any name of a person or organization, police said. They said they suspect a political motive for the apparent sabotage attempt against the Bullet Train.

A similar incident occurred in June in Sekigahara, Gifu Prefecture, when a Shinkansen Bullet Train ran over a wire rope placed on the rails, severing it. Police said they are investigating a possible link between the Saturday incident and the June case.

Bank: Economy Sluggish, Labor Situation Easing

OW2408200393 Tokyo KYODO in English 1055 GMT 24 Aug 93

[Text] Tokyo, Aug. 24 KYODO—The Japanese economy still remains sluggish with no signs of recovery confirmed, the Bank of Japan said in a report Tuesday [24 August].

The central bank noted corporate capital and consumer spending remain lackluster while public works spending and housing investment are on the rise. Production activity is showing both ups and downs, the report said.

The nation's labor situation has been easing, the BOJ said, and the manufacturing sector is maintaining its policy of limiting plant and equipment investment. In the nonmanufacturing sector, smaller businesses tend to curb capital expenditures.

Imports as a whole are still slow, reflecting slack domestic production, though some growth is seen in purchases of foods and textiles due to the yen's rapid rise against other major currencies, the report said. Wholesale prices are following a downward trend, mirroring the yen's unabated ascent, it said.

On the overseas front, the Bank of Japan said the U.S. economy is sustaining a gradual recovery, led by personal consumption and capital spending. The slow pickup is backed by lower long-term interest rates, it noted. European economies, by contrast, remain dismal, with the labor situation worsening in Germany and France, the bank said.

Ministry To Deregulate Liquor Store Licensing

OW2508084293 Tokyo KYODO in English 0813 GMT 25 Aug 93

[Text] Tokyo, Aug. 25 KYODO—The Ministry of Finance decided to ease or remove regulations on the licensing of liquor stores in line with the government's policy of promoting deregulation, ministry officials said Wednesday [25 August]. The officials said the ministry plans to complete a review of existing regulations by mid-September in time for a new round of pump-priming measures to be worked out by the government.

They said the deregulation will stimulate inroads into the liquor market by supermarkets and convenience stores.

Under the current system, liquor stores are licensed by taking into account the population of customers per store and the distance between liquor stores. The number of licensed liquor stores totals about 177,000 across the nation, an increase of only 4.0 percent over the past 15 years, ministry officials said.

The ministry's decision is in response to the decentralization and deregulation policy laid down by the government of Prime Minister Morihiro Hosokawa, the officials said.

Ministry To Raise Compulsory Auto Check Fees

OW2508055093 Tokyo KYODO in English 0514 GMT 25 Aug 93

[Text] Tokyo, Aug. 25 KYODO—The Transport Ministry plans an increase in revenues of 6.2 billion yen annually by raising the fees for compulsory safety checks on automobiles next April by an average 16.1 percent, ministry officials said Wednesday [25 August]. The hike will be the first in three years.

The ministry will submit to the Finance Ministry a budget request including the fee raise, citing increased personnel expenses and costs of facilities to check vehicles, the officials said. Under the plan, the initial registration fee of an automobile will be raised to 1,300 yen from the current 1,000 yen, they said.

For compulsory automobile safety checkups every two years, vehicle owners will have to pay 1,100 yen in government fees, instead of the current 1,000 yen, if the vehicles are checked at authorized service stations.

If the vehicles are brought in state garages, the fee will be 1,500 yen, up from 1,300 yen.

For new vehicles, the compulsory safety checks are required after three years.

Takemura: Debate Needed on Possible Tax Increases

OW2708144093 Tokyo KYODO in English 1358 GMT 27 Aug 93

[Text] Tokyo, Aug. 27 KYODO—Discussion of tax hikes will be needed in the future to improve Japan's infrastructure, Chief Cabinet Secretary Masaysohi Takemura said Friday [27 August].

Speaking on a TV program taped Friday, Takemura, leader of Sakigake (Harbinger), one of the seven parties in the ruling coalition, said, "Japan's infrastructure is behind compared with that of other developed countries. It is necessary to build consensus to improve living environment by paying more (tax)."

Takemura said he currently has no plan to raise the 3 percent consumption tax. But he said he hopes to provide time to the people to study two or three cases when tax hikes, including the consumption tax, would be taken up seriously to implement income tax reduction.

Prime Minister Morihiro Hosokawa told parliament on Wednesday that the rate of the consumption tax should be discussed as a way to achieve a well-balanced tax system between direct and indirect taxes.

Boost To Housing Material Imports Said Possible

OW2708144193 Tokyo KYODO in English 1338 GMT 27 Aug 93

[Text] Tokyo, Aug. 27 KYODO—The government is considering easing curbs on foreign-made housing materials as part of its planned deregulation program, Chief Cabinet Secretary Masayoshi Takemura said Friday [27 August].

Speaking on a recorded television show, Takemura said, "houses are far cheaper in the United States. With imported materials from the U.S., we can build houses at half the cost."

"We are considering promoting imports" of foreign-made housing materials like timber and screws, he said.

Japanese regulations on housing materials have been criticized by other governments as effectively being barriers to foreign products. Easing such regulations is one of the highly touted policy shifts of the new government of Prime Minister Morihiro Hosokawa.

Hosokawa's government has promised to work out soon a package of measures for reducing government controls on the market and passing on more benefits from the strong yen to consumers as means of stimulating the economy. Takemura said he is willing to actively involve himself in drafting the proposed measures, rather than leave it to bureaucrats and cabinet members in charge of economic affairs.

Finance Ministry Reports 1994 Budget Requests

OW2708122193 Tokyo KYODO in English 1058 GMT 27 Aug 93

[Text] Tokyo, Aug. 27 KYODO—Requests for the government's general operating expenditure have reached an estimated 41.45 trillion yen for fiscal 1994, up 3.8 percent from the initial budget of fiscal 1993, the Finance Ministry said Friday [27 August]. The amount matches the request ceiling notified to government ministries and agencies after cabinet endorsement August 13.

General operating expenditure is the core budget for defense, public works and other key items. The expenditure does not include debt servicing costs and grants to local governments.

The Finance Ministry will scrutinize the requests to prepare a draft budget, and if everything goes smoothly, the cabinet will endorse it in late December.

The request for debt servicing costs is not yet ready, the ministry said.

On grants to local governments, the Ministry of Home Affairs announced earlier that it will seek 15.57 trillion yen, down 0.3 percent from the initial fiscal 1993 budget.

The ministry also said it received a request to transfer 1.3 trillion yen to the special account of industrial investment included in the fiscal investment and loans program.

Labor Ministry's Budgetary Request

OW2708083593 Tokyo KYODO in English 0757 GMT 27 Aug 93

[Text] Tokyo, Aug. 27 KYODO—The Labor Ministry will seek 5,644.1 billion yen of outlays in the fiscal 1994 budget, including requests for appropriations to boost employment of the aged and female workers, officials said Friday [27 August]. The ministry's budgetary requests, which include 490.9 billion yen on the general account, represent a 1.6 percent increase from the initial budget for fiscal 1993.

The ministry will file its requests with the Finance Ministry by the end of August.

The requested outlays include 160.3 billion yen for measures to promote employment of elderly workers, and 16.9 billion yen for assistance to full-time and part-time women workers. They also contain 75.6 billion yen for stable employment, and 15.2 billion yen for promoting shorter working hours.

Farm Ministry's Appropriations

OW2708083493 Tokyo KYODO in English 0801 GMT 27 Aug 93

[Text] Tokyo, Aug. 27 KYODO—The Farm Ministry said Friday [27 August] it will seek 3,429.4 billion yen in its budget for fiscal 1994, up 1.8 percent from the initial fiscal 1993 budget.

The Agriculture, Forestry and Fisheries Ministry said the request includes appropriations for two funds to be newly created—40 billion yen for long-term loans to develop large-scale farming households and 200 billion yen for loans to improve the management of farming businesses.

It also includes an appropriation of 124.8 billion yen for installing sewers in farming and fishing communities, up 19.5 percent from the current year. The ministry also seeks 126 billion yen to revitalize depopulated communities, up 14.3 percent from the current year, officials said.

Rice Paddy Reduction Exceeds Government Target

OW2508091193 Tokyo KYODO in English 0822 GMT 25 Aug 93

[Text] Tokyo, Aug. 25 KYODO—Reduction of rice-growing acreage topped the government target by 35,000 hectares to 708,000 hectares as of June 30 for fiscal 1993, the Ministry of Agriculture, Forestry and Fisheries reported Wednesday [25 August].

The figure suggests a tighter supply ahead in the rice market that is already expected to suffer a poor harvest because of the irregularly cool summer. A hectare equals 10,000 sq. [square] meters.

Ministry officials told reporters that despite its recent policy to lower reduction targets in a bid to boost rice inventory, farmers returning to rice from fruits and vegetables were far fewer than it had expected.

The overall enforcement rate was 105 percent, with high rates of 107 and above seen in western Japan in contrast to a relatively low 102 percent in Hokkaido and 102 percent in Tohoku, both northern Japan regions.

Easing of Rice Production Adjustment To Continue

OW2608130793 Tokyo KYODO in English 1153 GMT 26 Aug 93

[Text] Tokyo, Aug. 26 KYODO—Vice Agriculture Minister Akio Kyoya said Thursday [26 August] the ministry will continue easing rice production adjustment for the year starting in November. Kyoya said the ministry will work out a rice demand-supply plan for the coming year after the volume of rice output this year becomes clear sometime after November.

He said Japan's rice production potential still remains strong, as 50,000 hectares of rice paddies have been reinstated. The government has been reducing rice production through acreage reduction.

Kyoya brushed aside concerns about a possible shortfall in rice supplies this year because of poor output resulting from the unusually cool summer and the resulting outbreak of the rice blast disease.

The central union of agricultural cooperatives (zenchu), meanwhile, demanded the government make a decision on a rice production adjustment program for the coming year as early as possible so rice growers can convert their farm land into rice paddies.

The governing body of agricultural cooperatives across the nation also urged the government to tighten controls on sales of rice on the black market in order to maintain self-sufficiency in rice supplies.

Chamber of Commerce Elects New Chief 24 Aug

OW2408025293 Tokyo KYODO in English 0228 GMT 24 Aug 93

[Text] Tokyo, Aug. 24 KYODO—The Japan chamber of commerce and industry on Tuesday elected Kosaku Inaba, president of Ishikawajima-Harima Heavy Industries Co., as its chairman.

Inaba, 69, succeeds Rokuro Ishikawa, chairman of Kajima Corp., one of Japan's largest construction companies. Ishikawa resigned the chairmanship late last month following a series of scandals involving construction firms.

Inaba's term as chairman runs until March 31, 1995. He currently is also chairman of the Tokyo Chamber of Commerce and Industry.

North Korea

Reports on U.S.-South Korean Ulchi Exercise

Activities on 26 Aug

SK2808054993 Pyongyang KCNA in English 0410 GMT 28 Aug 93

[Text] Pyongyang, August 28 (KCNA)—The U.S. imperialists and the South Korean puppets staged the "Ulchi Focus Lens" joint nuclear war exercises against the North in a full-dress stage, according to military sources.

On August 26, formations of overseas-based nuclear-capable F-16S staged an intensive bombing exercise simulating an attack on targets in the in-depth areas of the northern half of the country in coordination with flying groups of the U.S. Airforce present in South Korea and the puppet airforce.

The war game held in the skies above Pyongchang, Yongwol and Suwon involved more than 180 fighter-bombers, observation planes and reconnaissance planes of various types.

On the same day, some 50 combatant ships massed in the sea off Pohang and Uljin participated in an exercise simulating an attack on the coastal areas of the North with the support of formations of pursuit-assault planes based in the extra-large carrier independence.

Tank units of the puppet army deployed in Kumpa-ri, Paju County, Kyonggi Province, fired shells across the Yimjin River, and large- calibre artillery groups and armed bandits of the puppet army poured shells and bullets on spots near the Demilitarized Zone (DMZ).

The reckless war gamble of the U.S. imperialists and the South Korean puppets is a premeditated act of provocation to incite North- South confrontation and division and bring dark clouds of nuclear war to the Korean peninsula.

Activities on 27, 28 Aug

SK3008052393 Pyongyang KCNA in English 0444 GMT 30 Aug 93

[Text] Pyongyang, August 30 (KCNA)—The "Ulchi Focus Lens" joint nuclear war game of the U.S. imperialists and the South Korean puppets against the North has come to a climax, according to military sources.

On August 27, the U.S. imperialists brought Japan-based nuclear- capable F-16S to South Korean bases. Next day they deployed assault, pursuit-assault and anti-submarine planes based on the carrier "Independence" at the Osan and Kunsan Airforce Bases.

On the 28th, these fighter planes frantically staged a joint ground strike exercise against the North in coordination with several hundred warplanes of the U.S. Airforce present in South Korea and the puppet airforce in the skies above Kunwi, Yoju and Yongwol of South Korea.

On the same day, formations of Pacific-based U.S. KC-135 refuelling tankers refuelled more than 40 fighter-bombers flown in the war game, making a shuttle flight from above the sea off Kunsan to the sky above Oeyon Islet.

The fighter-bombers, assault planes, pursuit-assault planes, observation planes and reconnaissance planes flown in the aerial war game against the North in the skies above South Korea on August 27 and 28 numbered more than 700.

On the other hand, the U.S. imperialists and the South Korean puppets ran riot in a naval exercise.

On August 28, scores of combatant ships including a missile cruiser, a destroyer, an amphibious dock ship and a tanker participated in a sea attack drill under the command of the Blue Ridge in the sea off Ulchin of the East Sea of Korea.

Earlier, on the 27th, the Blue Ridge which appeared in the sea off Pohang kicked up a war fever, calling warplanes based on the carrier "Independence" and commanding groups of combatant ships hurled into a surprise strike and the naval attack operation against areas similar to the coasts of the northern half of Korea.

The combatant ships mobilized in the exercises against the North in the East and West Seas of South Korea on August 27 and 28 numbered more than 200.

In another development, the South Korean puppets hysterically staged a ground attack operation and artillery and rifle firing in an area adjacent to the demilitarized zone under our eyes.

On August 28, "commandoes" of the puppet army which had been thrown into Sinchon-ri, Paju County, Kyonggi Province, and in Chorwon, Hwachon and Yanggu, South Korean Kangwon Province, through the air and ground staged a special operation aimed at a surprise strike at the major targets of the North side. And on the 27th, the mechanised infantry units of the puppet army which were quickly deployed in Hyon-ri, Inje County, South Korean Kangwon Province, and Kogok-ri and Cho-ri, Paju County, Kyonggi Province, staged an offensive exercise, moving toward the Military Demarcation Line with the support of guns, tanks and flying corps.

Radio on South Defense Minister, U.S. Exercise

SK2908055893 Pyongyang Korean Central Broadcasting Network in Korean 1153 GMT 28 Aug 93

[Commentary by Yun Pyong-son: "Civilian-led Government Running Toward Confrontation"]

[Text] According to reports, South Korean puppet Defense Minister Kwon Yong-hae was interviewed by KUKPANG ILBO on 27 August, six months after his inauguration. While talking about military reform during the interview, he showed again the chronic evil habit of picking a quarrel with the North by saying that the North is preparing for a war. He said that they are ready with a complete retaliation posture, that close cooperation between the United States and South Korea is needed, and so forth. This violent language can only be used by war maniacs and is no different from an open declaration of confrontation with the North.

As everyone knows, the North and the South have already agreed that they would not use armed forces against each other or use weapons to invade each other. The South Korean authorities, however, are still fervently conducting war maneuvers without abandoning their ambition of northward invasion, even after the agreement came into effect.

In particular, the present South Korean rulers conducted again this year the Team Spirit joint military exercise, which had been suspended before the agreement was effectuated. Now they have been frantically conducting the provocative Ulchi Focus Lens joint military exercise with outside forces for about 10 days.

From the details of daily training in the Ulchi Focus Lens joint military exercise and the number of soldiers and war equipment mobilized, everyone can easily recognize that this war exercise is not an alleged map training but a dangerous preliminary war aimed at carrying out a sudden preemptive strike against the northern half of the Republic as well as a test nuclear war.

They are talking about threat by someone else while bringing a dark nuclear cloud to the North by conducting the Ulchi Focus Lens joint military exercise. This is such an absurd behavior as an act of a thief raising a hue and cry.

Won Yong-hae's warlike, absurd remark about retaliation posture or something is a criminal act that turns over the North-South agreement, and it reveals the South Korean rulers' black-hearted hidden purpose to realize their ambition of northward invasion.

The South Korean authorities frequently talk about dialogue as if they were interested in improving North-South relations. If they want dialogue, they must create an atmosphere for dialogue first. In order to create the atmosphere, they must give up war exercises above all. However, while proposing dialogue, they are making the boom of guns against us, their dialogue partner, and talking about retaliation. This means that in fact they themselves reject dialogue.

Worse still, what should not be overlooked is that the South Korean authorities' traitorous behavior under the cloak of a civilian-led government. They are increasing the puppet armed forces even more, saying that peace is maintained by force, and are making a stir while talking about retaliation and military sanction under the pretext of our nuclear development, which is fictitious.

Several days ago, Kwon Yong-hae went to Paengnyong Island, which smells of gunpowder, with military leaders and agitated the war mood. To all appearances, he gives out not a bit of civilian fragrance but only smells of gunpowder. Only a war frenzy is found in him.

From all these facts, we clearly see that the current South Korean regime is going on a course of military confrontation with fellow countrymen under the cloak of a civilian-led government and that reunification by defeating communism is what they pursue. This is, however, a wild goose chase that can never be realized.

The South Korean warmongers had better think hard about what aftermath their useless war maneuver will bring in North-South relations and act discreetly.

Daily Comments on South's 'Dependence' on U.S.

SK3008112693 Pyongyang KCNA in English 1014 GMT 30 Aug 93

["Slogan of Treachery—'Security Through Dependence on the United States'"—KCNA headline]

[Text] Pyongyang, August 30 (KCNA)—NODONG SINMUN in a by- lined article today lays bare the reactionary nature of "security through dependence on the United States", an argument brought forward by the South Korean rulers after the U.S. President's recent tour of South Korea.

The article reads in part:

The South Korean ruling force's argument for "security through dependence on the United States" is, to all intents and purposes, a slogan of flunkeyist treachery meant to prolong their remaining days by dint of the strength of the United States.

It is, above all, a logic of treachery aimed at perpetuating the U.S. military occupation of South Korea.

The U.S. occupation forces in South Korea are not only a chief obstacle to the independent and peaceful reunification of the country but the very source of immeasurable sufferings and misfortunes of the entire Korean people.

The scheme to keep them in South Korea, even paying more than two billion dollars annually for their maintenance, presupposes sacrificing national interests; it is little short of leaving a sheep pen at the tender mercy of a blood-thirsty wolf.

The reactionary nature of the argument for "security through dependence on the United States" also lies in that it is intended to do harm to fellow countrymen in league with outside forces.

Their wicked intention is fully manifested in their persistent joint nuclear war moves with outside forces against the North.

They started "Ulchi Focus Lens" joint military exercises with U.S. Forces on August 17, giving off a thick powder smell.

The South Korean rulers spread the rumor that the "Team Spirit" nuclear war exercises would be staged next year, too.

In addition, they are making desperate efforts to do harm to the fellow countrymen with the backing of outside forces, crying for "international cooperation system" against the fictitious North's "nuclear problem".

This is an unjustifiable, unpardonable treacherous act.

It is foolish of them to try to gain something from dependence on outside forces. The successive South

Korean rulers met with their tragic end, while engaged in bartering away the country and the nation by clinging to the coattails of outside forces. If the present South Korean rulers continue to take the road of dependence on outside forces, they would meet with the same end.

Korean Group in Japan Comments on U.S. Exercise

SK2808105893 Pyongyang KCNA in English 1019 GMT 28 Aug 93

[Text] Tokyo, August 27 (KNS-KCNA)—Kim Chong-su, chairman of the Association of Koreans in Japan for Peaceful Reunification, in a statement made to the press on August 21, condemned the "Ulchi Focus Lens" nuclear war exercises by the United States and the South Korean authorities as an open military threat to the Democratic People's Republic of Korea and a grave challenge to the whole nation's desire for peace and reunification.

"The 'Ulchi Focus Lens' war game is all the more grave because it is being held at a time when a prospect has been opened for a fundamental solution of the nuclear problem through DPRK-U.S. talks and this must not go unnoticed," he said, and declared that "the Association of Koreans in Japan for Peaceful Reunification will vigorously fight to achieve a great unity of the whole nation, thoroughly check and frustrate the nuclear war racket and divisive moves of the home and foreign anti-reunification forces and achieve peace and national reunification of the country at an early date."

South Foreign Minister Comments on Japanese Ties

SK2808070393 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 23 Aug 93

[Commentary by Chong Pong-kil: "Traitor's Absurd Remarks for Conspiracy"]

[Text] According to a foreign news report, the South Korean foreign minister has claimed in an article contributed to SEOUL SINMUN that Japanese-South Korean relations should be considerably changed into a true partnership. He also raved that the new Japanese and South Korean regimes should not cling to history. He said relations between the two countries should be reasonably expanded and strengthened for the benefit of their national interests. In connection with the voices who worry about Japan's attempt to become a political and military power, he raved that, whether we like Japan or not, Japan's international position and influence will continue to grow. He also said it is brave and wise for South Korea to see that Japan's growing roles will be beneficial to South Korea.

Even worse, he raved that the South Korean people should overcome the victim mentality. By so doing, he overlooked the unpardonable crimes that Japan had committed against our people in the past. He also supported Japan's attempts to become a military power. This is a vicious challenge to our people and the people of the world, who have urged Japan to apologize for its past crimes and who have objected to Japan's attempts to become a military power and to arm itself with nuclear weapons.

As everyone knows, the people of the world, including our people, have raised their voices, calling on Japan to apologize for crimes committed against our people and Asian people and to make a due compensation for its past crimes.

The Korean comfort women for the Japanese Army, who were taken away by the Japanese Army and forced to live a life of sexual slavery, have revealed the rascals' atrocities to the entire world. They have strongly demanded that they be compensated for their sexual slavery. In addition to the comfort women sternly denouncing the Japanese Army's past atrocities, even the Japanese people have demanded that the Japanese Government make a due apology and compensation for the crimes. However, so-called South Korean Foreign Minister Han Sung-chu raved that South Korea should not cling to history and that the South Korean people should overcome the victim mentality. This is a traitorous behavior, arousing the stern denunciation from the people at home and abroad.

Even worse, Han Sung-chu raved that South Korea would benefit if Japan became a political and military power. As is already known, Japan has subordinated everything in its attempt to become a military power. Japan has stepped up the modernization of the armed equipment and war resources of the Japanese Self-Defense Forces [JSDF]. The JSDF's firepower is more than tenfold that of Japan's Imperial Army.

Japan has already full-fledgedly conducted war exercises to increase the JSDF's overseas operation capacity and has dispatched the JSDF to Southeast Asia. Japan has maneuvered to dispatch the JSDF overseas.

To accelerate the nuclear armament of the JSDF, Japan has stockpiled more than necessary plutonium. Japan has the technology and the capability to manufacture nuclear bombs in an emergency. Furthermore, the previous Japanese rulers revealed their intention to stockpile materials for hydrogen bombs. It is evident to everyone that such maneuvers are aimed at realizing Japan's ambitions of overseas expansion.

This nonetheless, Han Sung-chu raved that it would benefit South Korea if Japan became a military power. This is as good as supporting Japan's overseas expansion ambition. Instead of urging Japan to apologize for its past crimes against our people and to make a due compensation for its crimes, he let loose such absurd remarks. This bespeaks that the South Korean rulers are a traitorous group which does not hesitate to sell the country to foreign forces once again.

The maneuvers of the South Korean rulers, who protect the Japanese imperialists' crimes left as uncurable scars in the heart of our people and who support Japan's policy of aggression, cannot avoid the stern denunciation by the nation.

The South Korean rulers should pay attention to the South Korean people's voices calling for Japan's sincere apology and compensation for its past crimes. They should act with discretion.

Delegate Discusses 'Comfort Women' With UN

SK2808110193 Pyongyang KCNA in English 1031 GMT 28 Aug 93

[Text] Pyongyang, August 28 (KCNA)—The head of the delegation of the DPRK Measure Committee for Compensation to the "Comfort Women for the Army" and Victims of the Pacific War urged on August 19 that the Japanese Government should put criminals on trial and compensate to the victims and their bereaved families according to her responsibility under the international law and moral obligations.

Speaking at the 45th session of the UN Subcommission on Prevention of Discrimination and Protection of Minorities held in Geneva, he said the final report on the restoration of honour and compensation regarding grave violations of human rights by Japan was so worked out as to restore the damaged international justice and moral obligations and prevent the recurrence of crimes, not merely solving the compensation problem through monetary payment.

He charged that the Japanese delegate, however, did not mention other crimes including the forcible drafting of more than six million Koreans, confining Japan's crimes to the "comfort women" issue, and uttered not a word about her responsibility under the international law and compensations in the matter of "comfort women", either.

"Japan which had invaded many Asian countries and committed grave human rights abuses can never evade her legal responsibility for her grave crimes with a few words of 'apology'", he said, and declared:

"The international community would not consider that Japan has the intention to truly repent of her past crimes and completely solve the problem unless the Japanese government take a sincere and decisive step."

Also speaking at the session that day, a member of the Korean delegation said the special rapporteur correctly reflected basic principles and guidelines for an immediate and final solution of the compensation problem.

He expressed support to the recommendation of the special rapporteur that the United Nations adopt a series of principles and guidelines stipulating the right of victims of grave human rights abuses to receive compensation.

Kim Yong-nam Receives Outgoing PRC Envoy

SK2908104593 Pyongyang KCNA in English 1005 GMT 29 Aug 93

[Text] Pyongyang, August 29 (KCNA)—Kim Yong-nam, vice- premier and minister of foreign affairs, met and conversed with Zheng Yi, Chinese ambassador to Korea, when the latter paid a farewell call on him Saturday [28 August].

On hand were Vice Minister of Foreign Affairs Cha Pong-chu and officials of the Chinese Embassy here.

The ambassador was entertained to a dinner.

Chinese, Ecuadoran Visitors Arrive in Pyongyang

SK2708111893 Pyongyang KCNA in English 1012 GMT 27 Aug 93

[Text] Pyongyang, August 27 (KCNA)—Alba Chavez de Alvarado, member of the "International Kim Il-song Prize" Council, director of the Board of the International Institute of the Chuche Idea and vice president of Guayaquil University of Ecuador, and a Chinese press and publication delegation led by Liu Youzhi, consultant of the Press and Publication Administration of China, arrived here today.

Chinese Art Troupe Visits, Performs at Wonsan

SK2808055093 Pyongyang KCNA in English 0406 GMT 28 Aug 93

[Text] Pyongyang, August 28 (KCNA)—The visiting Chinese art troupe gave a performance in Wonsan, Kangwon Province, Friday [27 August].

The audience included Han Yong-nam, chairman of the Kangwon Provincial Administrative and Economic Committee, other officials concerned, working people and artistes in the city.

The troupe's instrumental concert "Full Moon", dance "Spring Day", vocal solo "The Song of Sailor" well represented the Chinese people's deep love for the country, traditional custom and noble independent and creative emotional world.

The acrobatic pieces "Foot Feats" and "Twin Plastic Etude" and the puppet show "Training Monkey" were acclaimed by the audience.

The program included Korean songs such as "Bumper Harvest Under the Care of the Leader".

A friendship gathering of Wonsan artistes and Chinese art troupe members was held in Songdowon that day.

The art troupe toured scenic Mt. Kumgang and other places during its stay in Kangwon Province.

Cambodia's Son Sann, Chea Sim To Visit

SK2808055193 Pyongyang KCNA in English 0403 GMT 28 Aug 93

[Text] Pyongyang, August 28 (KCNA)—A high-level delegation of the Provisional National Government of Cambodia led by Son Sann, president, and Chea Sim, first vice-president, of the National Constituent Assembly, Princess Norodom Ranariddh and Hun Sen, co- prime ministers, will shortly pay an official goodwill visit to Korea at the invitation of the government of the Democratic People's Republic of Korea.

Daily Urges Creation of 'Fair' New World Order

SK2808143193 Pyongyang Korean Central Broadcasting Network in Korean 0021 GMT 28 Aug 93

[NODONG SINMUN 28 August special article: "For the Establishment of Fair, New International Order"]

[Text] Voices demanding the establishment of a new, fair international order are loudly resounding from across the international arena.

The great leader Comrade Kim Il-song has taught: To build the new world that mankind is aspiring to, the unfair and outdated international order must be abolished in all domains of politics, economy, and culture and a new fair international order must be established.

Today a great number of countries in the world are advancing along the road of independence to build a new society.

In order to build the new free, peaceful world that mankind is aspiring to, the outdated international order must be abolished and a new international order should be established.

The outdated international order is an order for domination and plunder. This order became a yoke blocking the marching movement of the era of independence. This is why the voices demanding the establishment of a new fair international order are resounding from the international arena.

Many nations are demanding the establishment of a new international order in the domain of international politics. All countries and peoples are equal members of the international society and have independent and equal rights. However, today unfair relations still exist between countries and states and in the international arena.

Viewing the United Nations, nonaligned countries and developing countries constitute the absolute majority of the United Nations. However, the independent demands and interests of these countries have often been excluded. For this, nonaligned countries and developing countries raised their voices high to demand the democratization of the United Nations.

The participants in the ministerial-level standing committee meeting of the nonaligned countries for economic cooperation held in Indonesia recently stressed that democratization of the United Nations is very important in correctly resolving a series of problems facing the developing countries. They unanimously urged that more opportunities be given to the developing countries so that they can participate in the course of adopting decisions in the United Nations.

The communique adopted at the meeting emphasized that the United Nations should become the organization that reflects the will of all people in the whole world including those of the developing countries and that its overall system should be more democratized.

Many countries are also opposed to the maneuvers of enforcing one's own political intention on the other and of interfering in others' domestic affairs.

The president of Zimbabwe stressed that the African countries should assume a firm stance opposing the admonition [hunsi] of some Western countries about the system of multilateral parties, democracy, and human rights.

The Burundian president emphasized that each individual state should establish the political system which corresponds to its own actual situation. He said that all countries, regardless of size, should maintain the position of independence instead of blindly yielding to the pressure of outside.

The participants in the international human rights meeting recently held in Vienna said that the forces attempting to maintain the outdated system have defined so-called human right standards and are scheming to force them on other countries. They sternly denounced this as a maneuver to interfere in other countries' domestic affairs.

At the meeting, nonaligned countries and developing countries expressed resolutions to struggle in unity to abolish the outdated human rights system, to respect and develop the sovereignty of all countries, and to establish a new international human rights system free from national and racial discrimination.

Many nations unanimously demand that a new fair order be established in the international economic domain.

The advanced countries strengthened exploitation and plunder against developing countries by relying on the outdated international economic order. Because of this, the developing countries are suffering a serious economic crisis. Without abolishing the outdated international economic order and without establishing a new fair international economic order, the developing countries cannot develop their national economy nor can they overcome today's economic crisis.

What is important in establishing a new international economic order is to reorganize unfair trade relations, including unreasonable international financial and currency system, as well as the exchange of nonequivalents, and to reasonably resolve the issue of the external debts of developing countries so that a favorable aspect be opened for growth and development of the developing countries.

While holding an extraordinary meeting in April 1974, the United Nations adopted a declaration on establishing a new international economic order and action programs. However, because of disturbance maneuvers by Western countries, this has not been realized up to the present.

The developing countries strengthened mutual cooperation to prevent damages which may be caused by the outdated economic order and to attain economic development.

The 16th summit conference of the West African economic community held in Benin from 22 to 24 July discussed a series of problems facing the economic community and signed documents of agreement. These documents stipulate multilateral cooperation and development. The participants in the conference appealed to member states to ratify this agreement by the end of this year.

The 29th summit conference of the states and governments of the Organization of African Unity held in Egypt adopted a resolution for founding an African economic community. The seventh summit conference of the South Asian district cooperation alliance held in Bangladesh discussed the issue of realizing trade liberalization.

The third summit conference of Ibero-America held in Brazil discussed various measures to resolve serious social difficulties and the economic crisis facing Latin America and decided to prepare regional action programs for realizing regional development.

The advanced countries' trend of making economic blocs and their trade protectionism created a great hindrance to the economic development of the developing countries. This is why the developing countries strengthened regional economic cooperation in a bid to cope with this situation and are making efforts to develop their national economies with united strength and achieve common prosperity.

Many nations demand that a new fair international order be established in the domain of military security. Today not a small number of countries resolved the issue of disputes between the states, between countries, and between regions through dialogue and negotiations. They took steps not to allow the stationing of foreign troops or the installing of their military facilities. All these acts are part of the struggle to establish a new international order in the domain of military security.

The progressive countries of the world are struggling to demolish the outdated international order and to establish a new fair international order.

Kim Il-song Sends Greetings to Foreign Leaders

To Malaysian King

SK3008120893 Pyongyang KCNA in English 1030 GMT 30 Aug 93

[Text] Pyongyang, August 30 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea today sent a message of greetings to Malaysian King Sultan Azlan Shah on the occasion of the 36th anniversary of the independence of Malaysia.

President Kim Il-song in the message noted that the Korean people are pleased with the great advancement made by the Malaysian people in their endeavours to promote national unity and harmony and develop economy.

Expressing the belief that the relations of friendship and cooperation between the two countries would further strengthen and develop in line with the ideals of independence, peace and friendship, he sincerely wished the king and the people of Malaysia greater success in their work for the country's prosperity.

To Trinidad, Tobago President

SK3008122893 Pyongyang KCNA in English 1032 GMT 30 Aug 93

[Text] Pyongyang, August 30 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea sent a message of greetings to Noor Hassanali, president of Trinidad and Tobago, on the occasion of the 31st anniversary of the independence of Trinidad and Tobago on August 27.

He said in the message he sincerely wished the president and people of Trinidad and Tobago great success in the work for the country's prosperity and expressed his conviction that the friendly relations between the two countries would further develop.

President Kim Il-song Receives Foreign Envoys

Receives Algerian Envoy

SK3008123293 Pyongyang KCNA in English 1033 GMT 30 Aug 93

[Text] Pyongyang, August 30 (KCNA)—The great leader President Kim Il-song today received Algerian Ambassador to Korea Mokhtar Reguieg who paid a farewell call on him.

Present on the occasion was Vice-Premier and Foreign Minister Kim Yong-nam.

President Kim Il-song had a talk with the ambassador.

Receives New Palestinian Envoy

SK3008121793 Pyongyang KCNA in English 1035 GMT 30 Aug 93

[Text] Pyongyang, August 30 (KCNA)—Shahir Muhammad, newly appointed ambassador of the state of Palestine to Korea, presented his credentials to the great leader President Kim Il-song today.

Present there were Kim Yong-nam, vice-premier and foreign minister, and officials of the Palestinian Embassy in Pyongyang.

President Kim Il-song conversed with the ambassador after receiving the credentials.

Reportage on Kim Il-song's Public Activities

Leads Meeting of Functionaries

SK3008035993 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 27 Aug 93

[Text] A report meeting marking the 30th anniversary of the conference of exemplary functionaries of the Pyongyang municipal people's neighborhood unit and led by the great leader Comrade Kim Il-song was held today in the Pyongyang Gymnasium.

Portraits of Comrade Kim Il-song, the great leader of our party and our people, and of the dear leader Comrade Kim Chong-il were respectfully set up in the front of the meeting site.

Slogans reading "Long live the great leader Comrade Kim Il-song!" and "Long live the glorious Workers Party of Korea [WPK]!" were hanging.

Also hung at the meeting site were slogans reading, "Let us become the guards and do-or-die unit endlessly loyal to the great leader Comrade Kim Il-song and to the glorious party," "Let us further glorify our style of socialism with the might of singlehearted unity," "Let Pyongyang become the exemplary city across the country in all domains," and "Let us vigorously carry out the movement to win the title of 11 July red banner tong [residential unit] and the movement to win the title of the 11 July red banner people's neighborhood unit!"

Present at the report meeting were Comrade Kang Hui-won, deputy premier of the Administration Council; responsible functionaries from party and government organizations in Pyongyang; responsible functionaries from administrative and economic organizations, and functionaries from tong neighborhood units.

At the meeting, Kim Pong-ho, first deputy chairman of the Pyongyang Municipal Administration and Economic Committee, gave a commemorative speech.

Inspects North Hamgyong

SK3008023693 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 29 Aug 93

[Text] The great leader Comrade Kim Il-song gave guidance on the spot [hyonjieso chido] at various sites of the people's economy in North Hamgyong Province.

Comrade Kim Il-song, the great leader of our party and people, gave guidance on the spot to the various works of the national economy in North Hamgyong Province from 20 to 26 August. During this period, the great leader Comrade Kim Il-song gave on-the-spot guidance [hyonji chido] on Namjol cooperative farm in Yonsa County and other various units, including Kodunsan District.

Based on his understanding of the actual conditions of the national economy in North Hamgyong Province, the great leader Comrade Kim Il-song convened a consultative meeting of the economic functionaries of North Hamgyong Province and delivered his teachings that will be a programmatic guideline in further developing the national economy in the province.

The great leader Comrade Kim Il-song taught that the steel and iron complexes in North Hamgyong Province must continue to struggle vigorously to establish chuche [chuchesongul hwaklip] in the metallurgical industry, that they must plan the organization of production and command to satisfactorily meet the demand for steel products needed by the various units of the national economy, and that they must stabilize the production of steel goods at a higher level by thoroughly formulating plans to guarantee raw materials and fuel.

The great leader Comrade Kim Il-song said that increasing coal production is an important requirement for the stabilization of production, and has taught that in order to rapidly increase coal production, they must study the tunnels of coal mines, enhance standards for the mechanization of coal mining works, and search for a great number of new coal fields by strengthening exploration works and by widely employing advanced methods of excavation at the same time.

He taught that to further increase chemical fertilizer production, which is of priority significance in agricultural production, fertilizer plants must operate their facilities at full capacity and produce a great number of various chemical products, including agricultural chemicals, insecticides, and chemical fibers.

He said that largely increasing lumber production is very significant in meeting the growing demand for lumber, and has taught that North Hamgyong Province must take good care of the woodland and further raise the mechanization rate of lumber production and transport.

He said that because North Hamgyong Province has favorable natural and geographical conditions for the development of fisheries works, it is very important to make proper use of the sea, and has taught that various methods should be used and that coastal farming works should be extensively carried out to catch more fish.

He said that as a result of their contribution to the implementation of the party's "agriculture-first policy," functionaries and working people in the agricultural economic sector have a very good crop this year despite the unfavorable climate which damaged crops with cold weather. He highly praised the success made by all leading functionaries and agricultural working people in the agricultural sector.

He said that the justification and vitality of the chuche farming method presented by our party has once again been clearly proven as a result of this year's farming, and has taught that leading functionaries and agricultural working people in the agricultural sector must continue to meet the demands of the chuche farming method with revolutionary conviction and optimism. As a result, they must effect an unceasing upsurge in agricultural production and more highly display the superiority of the economic system of socialist rural communities of our country.

He said that Onchon County's 3 June cooperative farm has once again clearly shown in this year's farming experience that farmers can carry out farming work happily as well as raise good crops with their own might without receiving outside support only if overall mechanization of the agricultural economy is realized. He taught that leading functionaries and agricultural working people in the rural economic sector must vigorously carry out the three revolutions—ideological, technological, and cultural—to brilliantly realize the mechanization of rural communities before next year, the 30th anniversary of the presentation of this idea in an agricultural thesis.

All party members and working people in North Hamgyong Province are full of the firm conviction to further safeguard, adhere to, and glorify the popular mass-centered socialism of our own style by effecting a new upsurge in all sectors of the national economy, thus thoroughly implementing the great leader Comrade Kim Il-song's on- the-spot guidance.

Daily on People's 'Steadfast Faith in Socialism'

SK3008111193 Pyongyang KCNA in English 1007 GMT 30 Aug 93

["Steadfast Faith in Socialism and Indomitable Will Are Noble Trait of Our People"—KCNA headline]

[Text] Pyongyang, August 30 (KCNA)—The revolutionary people should have a steadfast faith in socialism and will if they are to take the road of revolution, the road of socialism to the end, stresses NODONG SINMUN in a by-lined article today.

It says:

The revolutionary trait of our people who are staunchly struggling with steadfast faith in socialism and indomitable will is, first of all, expressed in that the entire people, firmly convinced of the validity and superiority of the cause of our-style socialism led by the dear leader Comrade Kim Chong-il, are devoting their all to the struggle for its victory.

Socialism is a site for the true life of our people and a cradle of happiness. Our people are the people who realize with faith that there cannot be the happiness of today, the hope of tomorrow apart from socialism. Our people have hardened this faith as firm as a rock, witnessing that socialism was collapsed and capitalism has been revived in different countries and thus the people are floundering in distresses and misfortunes of all description.

The revolutionary trait of our people who are vigorously fighting with steadfast faith in socialism and indomitable will is also displayed to the full in that they are struggling through fire and water to carry out our party's plan for socialist construction and leadership.

The historical experience of our revolution shows that the socialist cause is firmly defended and advanced victoriously in any storms when the people are firmly convinced of the greatness of their leader and party and the wisdom of leadership and are upholding the party's plan for socialist construction and leadership with faith and will.

Today our people are struggling through thick and thin to carry out the party's plan for socialist construction, upholding the slogan "When the party is determined, we can do anything!"

There may be difficulties on the way of advance but there can be no unconquerable fortress such faithful people who are going through fire and water to carry out their leader's plan for socialist construction.

The imperialists and reactionaries are now viciously manoeuvering to isolate, stifle and stamp out our country which is advancing under the uplifted banner of socialism, but they cannot block the road ahead of our people who are vigorously struggling full of conviction of certain victory and optimism and destroy our socialist post.

It is an iron will and faith of our people to share destiny with their leader to the and with a mental support that there is the wise leadership of the dear leader Comrade Kim Chong-il.

South Korea

Official Discusses U.S. Plans for Team Spirit

SK3008002593 Seoul YONHAP in English 0005 GMT 30 Aug 93

[Text] Seoul, Aug. 30 (YONHAP)—U.S. President Bill Clinton's administration has not budgeted for the U.S.-South Korean military exercise "Team Spirit" for 1994, giving rise to speculation that the annual defensive war game may be canceled, according to a Korean Government official.

The official, who declined to be identified, said Sunday [29 August] he understood that the Clinton administration has not set aside any funds for Team Spirit for the year starting Oct. 1.

But expenses for Team Spirit could be borne by supplementary government funds, therefore the fact that Washington has not set aside money in the budget specifically for the exercise does not mean that it will not hold Team Spirit, the official said.

It is being interpreted by many observers that the U.S. Government is trying to not irritate North Korea by budgeting for the exercise at a time when it is preparing to hold a third round of high-level talks with Pyongyang next month to resolve the North Korean nuclear issue.

North Korea has strenuously demanded that the United States and South Korea cancel their joint military exercise.

The decision whether to hold the Team Spirit exercise will be made at a South Korea-U.S. annual security consultative meeting (SCM) scheduled for Seoul in November.

Sources Forecast U.S.-North Korean Talks

Talks To Open 'Mid-September'

SK3008003793 Seoul YONHAP in English 0019 GMT 30 Aug 93

[Text] Seoul, Aug. 30 (YONHAP)—North Korea and the United States are expected to open a third round of high-level nuclear talks in Geneva in mid-September, South Korean Government sources said Monday.

U.S. Assistant Secretary of State Robert Gallucci, chief delegate to the talks with North Korea, will be in Seoul in early September, stop over in Tokyo and head straight to Geneva for the third round, the sources said.

According to an official at the Foreign Ministry, the Clinton administration did not include the cost of "Team Spirit," annual joint defensive military maneuvers with South Korea, in its 1994 budget in an apparent gesture to appease North Korea before the talks.

Pyongyang and Washington, which lack formal relations, began a series of high-level contacts after the Communist country threatened to pull out of the Nuclear Non-Proliferation Treaty (NPT) in March.

In what is taken as a major breakthrough, an International Atomic Energy Agency (IAEA) inspection team will be in North Korea from Tuesday [31 August] to Sept. 3 to negotiate resumption of checks on suspected nuclear sites.

Gallucci, expected to arrive in Seoul on Sept. 8, will be meeting with South Korean Government leaders to map out the strategy and confirm each other's stances before the Geneva round.

The Foreign Ministry official said, however, that even though the Clinton administration did not include Team Spirit in its 1994 budget, this does not necessarily mean the military exercise will be canceled.

"The Team Spirit expenses can always be taken from the reserve budget," the official said.

Talks Conditional on S-N Talks

SK3008024693 Seoul KBS-1 Radio Network in Korean 0207 GMT 30 Aug 93

[Text] A government official said today that unless South- North dialogue is held first, the third-round of U.S.-North Korean talks scheduled to be held before 20 September will be delayed.

The official said: It is firm policy agreed upon by the ROK and the United States that specific conditions for the next round of U.S.-North Korean talks are progress in nuclear negotiations between the International Atomic Energy Agency and North Korea and dialogue between South and North Korea. Accordingly, Robert Gallucci, assistant secretary of the U.S. State Department, will contact ROK Government officials to reconfirm ROK-U.S. policy when he visits the ROK on 8 September.

Further on Conditions

SK3008082493 Seoul YONHAP in English 0725 GMT 30 Aug 93

[Text] Washington, Aug. 29 (YONHAP)—Washington will agree to a third round of nuclear talks with Pyongyang if it sees progress in negotiations between the Communist country and the International Atomic Energy Agency (IAEA), scheduled to start Tuesday [31 August], and only if inter-Korean dialogue to comply with the declaration on a non-nuclear Korean peninsula begins as promised, informed diplomatic sources said Sunday.

Washington and Pyongyang haven't begun to discuss a date for the third talks, the sources said, and the U.S. side is firm that they will occur only if North Korea engages in dialogue with the IAEA and South Korea as agreed in the Geneva talks in July, they said.

North Korea is understood to have shown willingness to talk widely about the nuclear question with the international nuclear watchdog, the sources said.

They predicted that the talks, which may well include negotiations on extensive improvement of Pyongyang-Washington relations, will take place in mid-September if North Korea accepts inter-Korean dialogue.

It was premature to speak of the possibility of the talks or a date for them when the two conditions have yet to be met, they said.

Ministry Names Delegate to U.S. Economic Talks

SK2708113993 Seoul YONHAP in English 1110 GMT 27 Aug 93

[Text] Seoul, Aug. 27 (YONHAP)—The first meeting of the Dialogue for Economic Cooperation (DEC) with the United States will be held in Washington on Sept. 7-8, the Foreign Ministry announced on Friday.

The meeting is expected to discuss ways to further expand trade and other economic exchanges and cooperation between the two countries.

Second Assistant Foreign Minister Son Chon-yong will represent Korea at the dialogue meeting while U.S. delegates will be led by Assistant Secretary of State for Economic Affairs Daniel Tarullo.

The DEC was established as a consultative mechanism to discuss economic and trade issues pending between the two countries during U.S. President Bill Clinton's visit to Seoul last month.

North Korea To Form Trading Firm in Germany

SK2808044793 Seoul YONHAP in English 0053 GMT 28 Aug 93

[Text] Seoul, Aug. 28 (YONHAP)—North Korea is using sympathisers from eastern Germany to try and persuade German companies to invest in the hardline Stalinist state, and opened an office in Dusseldorf early this month, according to informed sources here.

North Korea, which lacks diplomatic ties with Bonn, set up the office chiefly to help issue visas and book flights to Pyongyang, but in reality it is spends most of its time meeting with Germans from the former communist part of the country who are friendly to Pyongyang and trying to attract investment with their help.

Germany's Picon Co. and North Korea's Taesong Co. are close to setting up a joint-venture sewing company in Dusseldorf, according to the sources here.

The joint venture, to be called Deukor, will import materials from Hong Kong and export finished goods to third countries after cutting, making, and trimming. It is expected to promote German investment to North Korea at the same time.

Picon is owned and managed by pro-Pyongyang businessmen from eastern Germnay and the company president is known to be planning a trip to Pyongyang soon to talk business with North Korean officials, the sources say.

North Korea has had an office in Taiwan since November 1992 and began trying to do business in Romania and Switzerland this year as it is in desperate need of foreign currency. It has offices in Macao and Japan.

Seoul To Stop Remaining Economic Aid to Russia

SK3008081593 Seoul YONHAP in English 0720 GMT 30 Aug 93

[Text] Seoul, Aug. 30 (YONHAP)—South Korea will not give Russia the remaining 1.43 billion U.S. dollars in promised economic aid and will reschedule dates for debt and interest payments for the already extended portion, Vice Foreign Minister Hong Sun-yong announced Monday.

"The decision was based on changes in circumstances," Hong told reporters. "It is not a penalty for Moscow's failure to pay back on time. It was Moscow that decided it no longer wanted further aid from South Korea."

Seoul, timed with diplomatic normalization with Moscow in September 1990, promised 3 billion dollars in economic assistance: 1 billion dollars in cash and the rest in commodity loans.

The cash loan was completed along with 430 million dollars in tied loans before all aid was halted with the collapse of the Soviet Union.

Working-level officials of the two sides will be meeting sometime next month in Moscow to reschedule payments on the loans and interest, according to Hong, and the terms will most likely follow the Paris Club accord, which grants two years in grace period and up to five years to complete repayment.

Russian Deputy Prime Minister Aleksandr Shokhin was in Seoul last week and Foreign Ministry officials said there was "an understanding" between the two countries that South Korea will cancel further aid.

Moscow realized it no longer wants to deal with Seoul's conditions in getting the aid, according to Hong.

"South Korean goods have lost price competitiveness," he explained. "The same goods from China cost less."

Hong said next month's negotiations will review the possibility of repayment in goods.

On reports that Moscow offered to pay in military goods and technology, Hong said this possibility remains remote.

"We have to consider the country's arms system and consistency in supply," said Hong.

Military payment from Russia would, however, be possible on an experimental basis, not directly linked to the economic loans, he said.

Even on that basis, observers here say, a military transfer from Russia would give Seoul a closer look into the arms North Korea bought from the Soviet Union during the Cold War.

Government Says Russia Liable for KAL Downing

SK3008122393 Seoul YONHAP in English 1208 GMT 30 Aug 93

[Text] Seoul, Aug. 30 (YONHAP)—The South Korean Government reiterated on Monday that Russia is liable to pay compensation for the downing of the Korean Air [KAL] plane over Sakhalin in 1983 because it said the shooting down was an express violation of international law.

A senior Foreign Ministry official made the remarks in a comment on the Russian Government's allegation on Monday that the downing of the civil plane was "an unavoidable and lawful act."

The Seoul official said a mistake is recognizable on the part of the flight crew of the KAL plane which deviated from its regular route.

"But, it was a separate thing and was wrong for the Soviets to intercept and shoot down the plane with the knowledge of its being a civil plane," he said.

Noting that the government has already asked Russia for compensation over the KAL incident, the official said his government will continue to press for it in the future.

Editorial Urges New Relations With Russia

SK3008095293 Seoul CHOSON ILBO in Korean 30 Aug 93 p 3

[Editorial: "Russia's Unreasonable Assertion"]

[Text] The ROK has reached an agreement in principle with Russia under which the ROK Government will pay proper compensation for the site of the old Russian legation in Seoul. However, in contrast to the agreement, Russia made an unreasonable assertion that Korean Air should pay compensation to the bereaved families of the passengers killed when one of its planes was shot down by Soviet, not Russian, fighters in 1983.

Even when an international agreement was reached on the fact that Russia is the main responsible party for the death of 269 passengers and crew aboard the plane, Russia seeks to shove its responsibility onto the Korean Air. This will have a big adverse effect on ROK-Russia relations, which were renewed after the end of the Cold War.

Russia is no longer in a position to succeed the former Soviet Union in its role at a time when the new order in Northeast Asia is being established in the post-Cold War era. The order in Northeast Asia, which once revolved around the United States and the Soviet Union, is at a turning point, with the United States and Japan playing the major roles after the collapse of the Soviet Union.

At such a time, Russia needs the ROK the most as an ally for it to maintain its position in Northeast Asia. Accordingly, Russia, in a bid to develop constructive ROK-Russia relations politically and economically in the post-Cold War era, should direct big efforts to make a reasonable assertion that can be accepted by the counterpart government and its people, and free itself from the former Soviet- way of thinking.

Our government, for its part, should develop a diplomacy toward Russia from a new perspective. The diplomacy toward Soviet Union, which was employed as a part of the northern policy to bring about a breakthrough in the Cold War era, has performed its historic duty. Therefore, the government needs to employ a diplomacy toward Russia in the post-Cold War era different from the diplomacy used toward the Soviet Union during the Cold War.

The ROK should independently take part in the newly developed order in Northeast Asia with the United States and Japan playing the key roles. For this, the government should give careful consideration to what sort of ROK-Russia cooperative relations are to be maintained in all domains of politics, economics, military, and culture that will benefit the future role of the ROK in the Northeast Asian order. It should then push ahead with these relations.

Russia should not assume a past stance of being a superpower in developing new ROK-Russia relations in the post-Cold War era, but it should pursue a reasonable diplomacy toward the ROK as a mutually complementary ally. The ROK, as well, should perceive Russia, which is different from former the Soviet Union, on an equal basis and develop new cooperative relations.

Institute Reports on Russian Technology Exchanges

SK3008033293 Seoul YONHAP in English 0230 GMT 30 Aug 93

[Text] Seoul, Aug. 30 (YONHAP)—South Korea and Russia have come a long way in technology cooperation, but they have achieved nothing tangible because Korea doesn't understand the characteristics of Russian technology and business, a corporate research institute said Monday.

Since Seoul and Moscow signed an agreement on scientific and technological cooperation after normalization of ties in 1990, Russia has offered to transfer 2,338 kinds of technology, the Hyundai Research Institute said in a report on the experience and lessons of applying technology of the former Soviet Union.

Of the total, 74 items were chosen as joint research projects by the two governments and up to 10 technologies have made it to commercialization.

Joint research could not be made in cases of some technologies as they had already been fully developed in Russia and arrived here just for capability tests and some minor supplementary work, the institute said.

On the private level, 18 companies and research institutes signed 25 technology tie-up deals and most ended in disappointment, the Hyundai Institute said.

Of the 25 agreements, 13 went to the Samsung Group and to Daewoo, Halla and Hanguk Heavy Industries Companies, while four small pharmaceutical businesses each had one technology, the report said, pointing to discriminatory contracting as a problem.

Many of the projects recommended by research institutes for joint research and development were ignored, the institute said.

Practical cooperation is slow because requests for technology transfer are too general and lopsided, so the Russians have to ask for experts to visit and explain them, it said.

The Korean Government and companies have also failed to understand that the Russian product in a unit technology is designed for a particular Russian system.

Many companies have given up joint-venture projects half way because of political instability, currency exchange problems, and communications difficulties.

Korea's insistence on inexpensive manpower and technology also puts off many Russians, the institute said.

Foreign Minister on Changes in Ties With Japan

SK2808054693 Seoul SEOUL SINMUN in Korean 20 Aug 93 p 3

["Special contribution" by ROK Foreign Minister Han Sung-chu: "It Is the Most Appropriate Time To Make Fundamental Changes in ROK- Japanese Relations"]

[Text] The ROK and Japan have delicate relations unseen in any other bilateral relations. This is because the two countries have always had conflicts and, yet, have had no choice but to promote cooperation.

ROK-Japanese relations are often compared to Franco-German relations or Russo-Polish relations. However, ROK-Japanese relations are peculiar because our countrymen have unilaterally suffered from Japan's actions. Nevertheless, it is time that the two countries overcome their past history and go toward the future.

What I stress in this regard is that assuming a future-oriented attitude does not mean forgetting the past. Rather, I mean that only when Japan correctly perceives and assesses history, can the controversy over history be settled based on the fact that the two countries must develop relations in a future-oriented manner. The issue concerning Japan's correct perception and assessment of history is not a problem that Japan can solve by settling a controversy or two or by issuing new policies. If Japan makes efforts to correctly perceive and assess history, we should assess and encourage this. Japan's admission that the comfort women for the troops were drafted forcibly and new Japanese Prime Minister Hosokawa's description of the Pacific war as a war of aggression are considered efforts in this direction. We expect that Japan will continue to make such efforts.

History is important; however, this is not all ROK-Japanese relations are about. The ROK and Japan are close geographically, and, by destiny, need each other and have no choice but to promote mutual cooperation in economic fields and in international politics. In reality, the two countries are building reciprocal relations in handling economic affairs, trade, the Korean peninsula issue, and international issues. We, ourselves, have no choice but to expand and develop ROK-Japanese relations in a future-oriented manner for the sake of our national interests. This is why ROK-Japanese relations should not be victims of history.

If there were an opportunity to seek fundamental changes and develop relations between the two countries, this is the most appropriate time to promote them.

With the advent of the first civilian-controlled government in approximately 30 years, the ROK is making a great innovation both in domestic policies and in diplomacy. The Japanese Liberal Democratic Party's seizure of power, which lasted approximately 40 years, has ended. New politicians, mainly composed of the post-war generations in their forties, are seeking reforms in Japan. In addition, the surrounding order of the ROK and Japan is facing an essential change. Along with the international trends of reconciliation and cooperation, democracy and market economy are spreading, and mutual dependent relations among countries are increasing.

Change includes opportunity. What are the desired ROK-Japanese relations we should seek? Mutually coping with international issues and seeking mutual cooperation such as relations existing among European countries are desirable ROK-Japanese relations. Of course, Japan's economic power is several times stronger than our country's economy. Of course, the issue concerning trade unbalance, which is difficult to be resolved, exists. However, our country's gross national product ranks 15th in the world; thus our country has grown as a major country in the Asian-Pacific region. By securing a proud position through strengthening the social cohesive power and developing national economic power, we should confidently seek to establish equal relations with Japan.

When we cast our eyes to another world by transcending the ROK- Japanese relations, we can see that relations, in which both countries help and profit from each other at the level of international cooperation, are being established. At present, in addition to the issue concerning the Korean peninsula and North Korea's nuclear issue, the

ROK and Japan are seeking close cooperation regionally and internationally in the United Nations, the Group of Seven, the Uruguay Round, and the Asia-Pacific Economic Cooperation.

When we consider how we should develop a mutual cooperative system, Japan's growing political and military role has been raised as a problem. However, we should cope with the program in reality, and not simply worry about the program.

As long as Japan maintains and develops strong economic power, whether we like Japan or not, Japan's international status and influence will grow. However, this also means that just as Japan is deeply involved in the international order, it is also greatly controlled by the international order. Therefore, we should not assume a negative and defensive attitude toward Japan's growing political and diplomatic role, but exercise bravery and wisdom to make Japan's growing political and diplomatic role beneficial to us. This is quite possible. This is because as the world changes, ROK- Japanese relations should become mutual cooperative relations rather than zero-sum [preceding word in English] relations which harm each other.

Japan's power will grow in the future. However, our power will also grow in the future. It is necessary for us assume the attitude of maintaining and developing a mutual and international cooperative system.

Each of the two countries has come to an historical turning point in which its political system, which has lasted for a generation, is changing. Our societies are rapidly becoming international. A change in generations is taking place in the two countries and relations between the two countries are changing. Both countries can give up the victim mentality.

It is important that we regard Japan as an equal partner and that we get Japan to regard us as an equal partner.

Interviewed by Japanese Daily

SK2708040293 Seoul YONHAP in English 0236 GMT 27 Aug 93

[Text] Tokyo, Aug. 27 (YONHAP)—South Korean Foreign Minister Han Sung-chu, in an interview with the YOMIURI SHIMBUN, has called on South Korea and Japan to stop thinking of themselves as victim and assailant and to form a new relationship as partners.

In the interview, carried in the YOMIURI's Friday editions, Han also said Japan need no longer feel guilty or superior about World War II.

Japanese Prime Minister Morihiro Hosokawa's description in a recent speech of World War II as a war of aggression by Japan was a step forward in Japan's view of history, Han said.

"It is almost certain that President Kim Yong-sam will meet Prime Minister Hosokawa to discuss cooperation in economic, diplomatic and other areas between the two countries in Seattle in November," Han was quoted as saying.

Observing that the next round of U.S.-North Korea talks would be a watershed for the North Korean nuclear issue, Han said the North Koreans would soon decide how to deal with "our effort to solve the issue" and warned that North Korea faces international sanctions if it refuses to solve the issue through dialogue.

Saying he had positively assessed the Japanese Government's recent report on the Korean women used as sex slaves by the Army during World War II, Han called on the government to dig deeper into areas where the truth is still concealed.

Foreign Minister Han To Visit Japan 23 Sep

SK2908095393 Seoul YONHAP in English 0910 GMT 29 Aug 93

[Text] Tokyo, Aug. 29 (YONHAP)—South Korean Foreign Minister Han Sung-chu will visit Japan on Sept. 23 to meet Prime Minister Morihiro Hosokawa and Deputy Prime Minister and Foreign Minister Tsutomu Hata, the YOMIURI SHIMBUN reported on Sunday.

Han will drop in at Tokyo on his way to New York to attend the U.N. General Assembly and meet Prime Minister Hosokawa to discuss establishment of future-oriented relations between the two countries, the newspaper quoted diplomatic sources here as saying.

In a meeting with his counterpart Hata, Han will ask for Japan's early solution of the comfort women issue, while valuing the Japanese Government's recent report on the truth about these women used as sex slaves of the Japanese Army during World War II.

He will also discuss with Hata cooperation between the two countries in measures against North Korea's nuclear issue and the proposed multinational security system in Northeast Asia.

Japan To Pursue Resuming Talks With Pyongyang

SK3008014293 Seoul YONHAP in English 0130 GMT 30 Aug 93

[Text] Tokyo, Aug. 30 (YONHAP)—Prime Minister Morihiro Hosokawa's coalition government is moving to resume talks with North Korea, discarding the Liberal Democratic Party government's precondition of a solution to the North Korean nuclear issue, the TOKYO SHIMBUN reported on Monday.

The new government has never decided that it will not sit down with North Korea until the nuclear issue is completely solved, the newspaper quoted a ranking Foreign Ministry official as saying.

Pyongyang had suspended the talks, not Tokyo, he was quoted as saying.

The Hosokawa government is seeking to normalize relations with North Korea as part of settling Japan's responsibility in World War II and believes a prolonged suspension of talks would isolate North Korea from the international community and work against Japan's interest, the newspaper said.

Japan made solution of the nuclear issue a precondition for resuming the talks with North Korea, observing the progress of U.S.- North Korea talks and inter-Korean dialogue.

Trade Ministerial Meeting With Japan Ends

SK3008090993 Seoul YONHAP in English 0633 GMT 30 Aug 93

[Text] Seoul, Aug. 30 (YONHAP)—The second trade ministerial meeting between South Korea and Japan ended on Monday afternoon with the adoption of a 10-point joint statement that expressed worry over the decreasing trade between Seoul and Tokyo and drop in Japan's investment and technology transfer to Korea.

It said both sides agreed on aiming at balanced trade development between the two countries through strengthening the industrial competitiveness of Korean industries, opening the Japanese market wider and increasing technology cooperation.

Exchanges of technicians and cooperation between the patents administrations of both countries were agreed on.

Both countries will support efforts to conclude the Uruguay Round global trade negotiations this year.

International Trade and Industry Minister Hiroshii Kumagai called on the Korean Government to give Japanese trading companies in Seoul the right to import goods and to abolish some restrictions on Japanese companies.

Korean Trade, Industry and Energy Minister Kim Chol-su replied that he would consider the matter.

The Japanese Government will support the Korean civil-private joint mission for attracting investment that will visit Tokyo in September, the joint statement said.

Kim Yong-sam Meets Delegate

SK3008115593 Seoul YONHAP in English 1129 GMT 30 Aug 93

[Text] Seoul, Aug. 30 (YONHAP)—President Kim Yong-sam is likely to have chain Korea-U.S. and Korea-Japan summit meetings in Seattle in November following a top APEC (Asia-Pacific Economic Cooperation) leaders meeting there.

"When an APEC leaders meeting takes place in Seattle in November as planned, I would attend it and hope to meet Japanese Prime Minister Morihiro Hosokawa if he comes there," President Kim said on Monday.

The president expressed the hope while meeting at Chongwadae [presidential offices] with Japanese International Trade and Industry Minister Hiroshi Kumagai, the first member of the new Japanese cabinet ever to visit Seoul.

Chongwadae spokesman Yi Kyong-chae said that Minister Kumagai, in response, stated Prime Minister Hosokawa also wishes to meet President Kim to discuss ways to resolve regional issues and better contribute to world peace.

The Japanese official added that the new Japanese prime minister regards South Korea and the United States as the countries most important to Japan.

President Kim also asked Kumagai to make efforts to reduce trade imbalance between the two neighboring countries. "I don't think Japan alone can survive if the world economy collapses," Yi quoted the president as saying.

A Chongwadae official said there is the much possibility that if Korea-U.S. and Korea-Japan summit talks were actually held in the wake of the APEC leaders meeting, the time would be Nov. 20.

Seoul, Tokyo Sign Wastewater Treatment Pact

SK2808044493 Seoul THE KOREA TIMES in English 28 Aug 93 p 3

[Text] Korea and Japan signed a cooperative agreement for the joint development of wastewater treatment facilities, opening a new chapter in bilateral exchange of information on anti-pollution activities.

The Cooperative Agreement on Environmental Technologies for Improving Water Quality was signed between the National Environmental Institute of Korea and its counterpart in Japan.

The accord will activate a five-year joint research project for the development of various environmental technologies including small-scale watewater and sewage treatment facilities.

Institute official said unlike in previous years, the agreement will bring about effective transfer of Japanese technologies for improving the quality of water which is one of the finest in the world.

Japan will dispatch related technical personnel here and cover all costs incurred in the procurement of materials and research activities for the five year period, they added.

"Korea has been faced with the financial and technical burden of developing water-treatment technologies and this agreement will effectively be able to address all related problems at hand," one official explained.

Aside from the treatment facilities, the agreement also calls for the introduction of system control technologies as well as equipment which is capable of forecasting the extent of water pollution.

With the development of new wastewater treatment facilities, the nation will be able to reduce the cost at which water is purified and supplied and make it possible to install them at low costs across the country, the officials said.

Government To Discuss Resuming N-S Talks

SK2908115393 Seoul KBS-1 Radio Network in Korean 1000 GMT 29 Aug 93

[Text] The International Atomic Energy Agency [IAEA] and North Korea will resume negotiations on inspections from 31 August. The government, accordingly, plans to hold a high-ranking strategic meeting chaired by Prime Minister Hwang In-song some time this week at the earliest to discuss ways to resume North-South talks. The discussion will also include the method by which our side proposes North-South dialogue.

If the IAEA and North Korea make progress in the negotiations on special inspection of two unreported facilities in the Yongbyon area of North Korea, the government plans to prudently examine a forward-looking North-South dialogue.

In particular, it was learned that the government is reviewing a plan that our side propose first the issue of simultaneously handling the exchange of special envoys, which was proposed by the North Korean side, and operation of the Joint Nuclear Control Commission. In addition, the government is reviewing a plan to propose the exchange of special envoys of top authorities with a view to simultaneously discussing the nuclear issue and the issue of summit talks.

The IAEA inspection team, slated to arrive in North Korea on 31 August, plans to negotiate with North Korea on the method for conducting a special inspection of unreported facilities in the Yongbyon area until 3 September.

Residents Protest Against Planned Nuclear Plant

SK2908085493 Seoul KBS-1 Radio Network in Korean 0800 GMT 29 Aug 93

[From KBS Kangnung Broadcasting Station]

[Text] It was learned that an atomic power plant would be built in Kumdok-myon, Samchok County, Kangwon Province. Residents in Kumdok-myon held a large-scale demonstration today opposing its construction.

Some 6,000 residents in Kumdok-myon, Samchok County gathered at the Kumdok Primary School this morning and strongly opposed the construction of a nuclear power plant in Samchok County.

The residents held a peaceful street demonstration in the area two km away from Kumdok-myon, holding hundreds of placards and pickets reading "We absolutely oppose the construction of the atomic power plant."

Board Sends Second Questionnaire to No Tae-u

SK2708040993 Seoul YONHAP in English 0241 GMT 27 Aug 93

[Text] Seoul, Aug. 27 (YONHAP)—The Board of Audit and Inspection (BAI) sent a second questionnaire to Former President No Tae-u about the Korean Fighter Project (KFP) Friday and asked him to reply by Sept. 4.

The questionnaire was delivered by two senior BAI officials, including Chong Min-chu, director-general of the Legal Review Office, to No on Friday morning.

The board said it was sending questions to No under Article 50 of the law on the Board of Audit and Inspection, which allows the board to seek cooperation from parties that are not classified as institutions subject to the board's audit and inspection.

The board is poised to send additional questions if examination of documents on the KFP handed over by the U.S. Government recently, due to arrive here at the weekend, leads to the uncovering of suspected payoffs, officials at the board said.

Officials did not say on how the BAI will react to possible rejection of the second questionnaire, but observers say it may refer No to the prosecution.

The BAI investigation of the peace dam, built under Former President Chon Tu-whan, is likely to end late this month, but the investigation of the KFP is likely to be delayed if No refuses to answer the second questionnaire.

No's aides claim to have done "all the things we should do" and hint that No will reject the second questionnaire.

Police Arrest Socialist Workers' League Leaders

SK2808061493 Seoul YONHAP in English 0526 GMT 28 Aug 93

[Text] Seoul, Aug. 28 (YONHAP)—The National Police arrested eight leaders of the outlawed Socialist Workers' League (Sanomaeng) on National Security Law charges Saturday.

Kong In-pyo, a junior at Sangji University, and seven others are charged with infiltrating college campuses, military units, factories and mines in the Kangwon area to spread Sanomaeng ideas, a police spokesman said.

The eight are on the 12-member Kangwon committee of the group, he said.

Of the four other committee members, Chon Su-chin, 21, is in the army and has been referred to the Defense

Security Command, while no action has been taken against the three others. No reason was given.

The police seized 627 copies of nine items such as printed matter and computer diskettes on Sanomaeng activities Thursday.

The eight are suspected of forming the Kangwon Committee in September 1991 and following the instructions of the Sanomaeng Central Committee, the police spokesman said.

Semiconductors Form Largest Export Item

SK2908034993 Seoul THE KOREA HERALD (SUPPLEMENT) in English 29 Aug 93 p 1

[Text] Korea's semiconductor industry once appeared on the brink of disaster last year when three major semiconductor manufacturers—Samsung Electronics Co., Goldstar Electron Co. and Hyundai Electronics Ind. Co.—were accused of "dumping" charges in their largest exporting market, the United States.

But the Korean "Big Three" heaved a sigh of relief last March when the U.S. Commerce Department slapped lower-than-expected dumping margins on their mainstay product—DRAMs or dynamic random access memories—in the department's final antidumping ruling.

The local industry is now apparently reaping the benefits thanks to the strong yen, which makes Japanese-made DRAMS more expensive than their Korean counterparts, industrial analysts say.

Semiconductors have emerged as the nation's largest exporting item, as exports were worth $6.8 billion or 8.9 percent of Korea's total exports in 1992. Chip exports registered an annual average of 30.8 percent during the period between 1983 and 1992, while Korea's overall exports witnessed an average of 13.7 percent per annum.

Korea exported $1.399 billion worth of semiconductor items, produced through wafer processing, in the first five months of the year, a whopping 51.6 percent rise over the same period last year. It is the first time that overseas shipments of chips produced by wafer processing has surpassed that of products assembled here with imported components, which amounted to $1.213 billion during the five-year period this year.

In particular, Korea's major export item, 4-M DRAMs, soared 100 percent from a year earlier to $916 million.

Korea's DRAM exports to the United States rose 20.4 percent from a year earlier to $1.114 billion during the January-May period because of the U.S. decision to impose lower-than-expected punitive rates against Korean DRAM products.

The domestic semiconductor industry has enjoyed rapid semiconductor production growth since 1983 with an average annual growth rate of 27.9 percent.

Figures released by the Ministry of Trade, Industry and Energy (MOTIE) showed that Korea's semiconductor production increased from $850 million in 1983 to $7.8 billion last year.

Semiconductor products amounted to $50 million in 1983, accounting for 0.3 percent of total global production. The figure for last year surged to $3.26 billion, which netted a 5 percent share of the world market, recording an annual increase rate of 59.1 percent.

MOS (metal oxide semiconductor) memory products constitute the lion's share in items produced through the wafer manufacturing method, but Korea suffers from a weak production base in such items as micro components and other chips.

Consequently, Korea's semiconductor imports were estimated at $5.4 billion last year, with over $2.1 billion in parts and components used for assembling.

As long as memory products are concerned, the technology gap between Korea and foreign countries has narrowed rapidly.

Korean semiconductor manufacturers estimate a roughly five-year technology gap with foreign competitors in developing 64K DRAMs. The technology gap for developing 4M DRAMs has reduced to just half a year.

The problem facing the Korean semiconductor producers is that their technology level for producing non-memory products lags far behind that of their foreign competitors particularly in terms of technologies related to system and design development.

Hindering the development of the local semiconductor industry is Korean companies's low-level localization of equipment as well as raw materials, industrial analysts here note.

Korea's heavy dependence rate on imported equipment for processing chips fell from 95 percent in 1989 to 84 percent last year.

In the case of wafer fabrication equipment, localization is expected to increase from 6 percent last year to 19.2 percent this year, ministry officials predict.

The localization of such raw materials as silicon-wafer is too low, they say.

The self-sufficiency rate of silicon-wafer, an essential ingredient for manufacturing semiconductors stood at a mere 25 percent last year.

Local semiconductor producers are undertaking the Highly Advanced National (HAN) Project to develop the 0.25-microgram wafer processing technology capable of producing 1-giga chips during the period between 1993 and 1996 as part of efforts to strengthen their manufacturing base.

The so-called Electro-21 Project calls for the development of non-memory products such as high-performance microprocessors, including Pentium-type processors.

Korean semiconductor manufacturers are seeking to make joint efforts to develop the thin-film transistor-liquid crystal display (TET-LCD) into a promising manufacturing industry.

Real-Name Financial System 'Hitting Banks Hard'

SK2908035893 Seoul THE KOREA TIMES in English 29 Aug 93 p 9

[By staff reporter Cho Chae-hyon]

[Text] The real-name financial transaction system is hitting banks hard which rely heavily on bonds to raise their operating funds.

As the real-name system is freezing demand for bonds including bank-issued ones, the Korea Development Bank [KDB] and Korea Long- Term Credit Bank (KLB) are having difficulties in raising funds.

A KLB official said, "Our bank faces serious problems in raising funds as our sales of bonds have dropped significantly."

The KDB also said that it saw sales of its bonds drop sharply since the real-name system was put into practice Aug. 12.

The KDB and KLB set their bond sales goal to 6.5 trillion won and 4.3 trillion won respectively for this year. The Industrial Bank of Korea also set its target at 1.7 trillion won.

The KDB and KLB have to sell about 600 billion won and 400 billion won on average a month respectively in order to meet their yearly sales target.

But with the sudden implementation of the real-name system, they may end up with far lower-than-expected sales of bonds.

Before the introduction of the real-name system, the KDB has sold its bonds 20 billion won worth of bonds a day. But since the system was implemented, the sales amount dropped to 2-3 billion won a day, the bank said.

KLB sold about 350 billion won worth a month, but bond sales amounted to only 28 billion won during Aug. 13-21, the KLB official said.

He said that "With our bank unable to raise enough funds, we are now suffering from liquidity shortage. Many enterprises are asking for funds to be used to expand facilities and plants. But we can not extend loans to them because we are short of funds due to the sharp drop in sales of bonds."

Bonds are the most important source for the KLB and KDB in raising funds which in return are extended mostly to manufacturing companies.

The drop in sales of these bank bonds will result in hampering companies' facility investments.

Both the KDB and KLB are concerned that if the drop in sales of their bonds continues, they will suffer extreme fund shortages, which means the same a shortage in funds used for expanding facility investment.

Institutional investors like securities companies and the so called "big hands,"—very wealthy underground financial dealers—are leaving the bond market.

Securities companies are managing their funds on a very short- term basis due to their fund shortages. They simply cannot afford to tie their funds to bank bonds of which maturities are usually more than one year.

The "big hands" are said to have gone into hiding hoarding their money at home or investing in jewelry rather than in financial products.

The implementation of the real-name system has wreaked havoc on small and medium-sized companies and the number of corporate collapses are increasing.

The KLB and KDB are specialized-banks which extend long-term loans to help firms expand their facilities and plant investments.

It these banks' cash shortage continues, many companies relying on them for loans will be restricted in expanding their facilities.

These banks hope the sales of their bonds will increase soon, but securities brokers said that they and other non-banking financial institutions will not be able to expand their investments in bank bonds due mainly to their fund shortages for the time being.

The KLB official said that to make up for the decline in their bond sales his bank should be allowed to sell certificates of deposit (CDs). Without other funding sources, the KLB will not be able to fulfill its duty as a long-term credit bank, he added. The government has banned the KDB and KLB from selling short-term deposit products including CDs on the grounds that they should focus on long-term credit business.

Burma

U.S. Congressional Delegation Arrives 27 Aug

BK2708153593 Rangoon Radio Burma in Burmese 1330 GMT 27 Aug 93

[Text] To visit Myanmar [Burma] as a guest of the Ministry of Foreign Affairs of the Union of Myanmar, a four-member delegation led by Mr. Charles B. Rangel, congressman of the United States of America, arrived at Yangon [Rangoon] airport by air at 1815 this evening.

Mr. Charles B. Rangel and the delegation were welcomed at the airport by U Nyunt Swe, deputy minister of foreign affairs; Police General San Thein; U Aye Lwin, director general of the Department of International Treaty and Consular Affairs of the Ministry of Foreign Affairs; and Lieutenant Colonel Thein Han, director general of the Office of the Work Committee for Development of Border Areas and National Races.

Khin Nyunt Receives U.S. Congressmen, Delegations

Meets Senator Shelby 28 Aug

BK2808153393 Rangoon Radio Burma in Burmese 1330 GMT 28 Aug 93

[Text] Lieutenant General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council [SLORC] of the Union of Myanmar [Burma], received visiting United States Senator Mr. Richard C. Shelby and party at the Dagon House of the Ministry of Defense Services at 1500 this evening.

U Ohn Gyaw, minister of foreign affairs; Brigadier General Maung Maung, minister of livestock breeding and fisheries; and Thura U Aung Htet, director general of the Protocol Department of the Ministry of Foreign Affairs were also present at the meeting.

Meets Congressman Rangel 29 Aug

BK2908142793 Rangoon Radio Burma in Burmese 1330 GMT 29 Aug 93

[Text] Lieutenant General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council [SLORC] of the Union of Myanmar [Burma], received visiting United States Congressman Mr. Charles Rangel and party at the Ministry of Defense's Dagon House at 1500.

Also present at the meeting were Foreign Affairs Minister U Ohn Gyaw and Deputy Foreign Affairs Minister U Nyunt Swe.

Khin Nyunt Receives Malay Intelligence Chief

BK2908154393 Rangoon Radio Burma in Burmese 1330 GMT 29 Aug 93

[Text] Lieutenant General Khin Nyunt, chief of the Office of Strategic Studies of the Ministry of Defense, received visiting Major General (Raja Datuk Abdul Rashid Bin Rajal Badiozaman), director general of the Malaysian Military Intelligence, at the Defense Services' Guest Room No. 1 at 1800 this evening.

After the meeting, Lt. Gen. Khin Nyunt, chief of the Office of Strategic Studies, hosted a dinner in honor of the director general of the Malaysian Military Intelligence and party.

At the invitation of Lt. Gen. Khin Nyunt, chief of the Office of Strategic Studies of the Ministry of Defense, Maj. Gen. (Raja Datuk Abdul Rashid Bin Rajal Badiozaman) and three delegation members arrived in Yangon [Rangoon] on Myanmar Airways International at 1100 this morning.

They were welcomed at the airport by Brigadier General Than Tun, vice adjutant general of the Ministry of Defense; Colonel Kyaw Win, deputy director of the Directorate of Defense Services Intelligence; Major Khin Maung Thein, acting general staff officer grade-1; and Lieutenant Colonel (Mar Bin Mohamed Asid), military attache of the Malaysian Embassy.

The director general of the Malaysian Military Intelligence and party visited and inspected the construction project of Dagon University in North Dagon Myothit at 1430 in the afternoon. They were welcomed by Col. Sein Htwa, chairman of the Committee for Dagon Myothit Development and commander of the No.77 Light Infantry Division, and committee members. The responsible personnel briefed the visiting delegation on the Dagon University construction project. After inspecting the construction of classrooms and lecture theaters on Dagon University campus, the delegation proceeded to Rangoon-Thanlyin [Syriam] bridge.

Foreign Minister: Antinarcotics Efforts 'Ignored'

BK2908105793 Hong Kong AFP in English 0948 GMT 29 Aug 93

[Text] Rangoon, Aug 29 (AFP)—Burmese leaders reiterated Sunday the need for international cooperation in efforts to combat narcotics but complained that Burma's current efforts against drugs were being ignored.

Speaking at the public destruction of more than two tonnes of opium and heroin Police Colonel Ngwe Soe Tun said international cooperation as well as the active participation of "all the people and nations of the world" was necessary to fight and eradicate narcotics. The dangers posed by narcotics were not a problem to be faced by a single nation but were a concern for the entire international community, said Ngwe Soe Tun, who is the joint secreatry of Burma's Central Committee for Drug Abuse Control.

Meanwhile Foreign Minister Ohn Gyaw said Burma's efforts to stamp out both the demand for and supply of narcotics were sincere but were being ignored by the international community although the proof was there "for everbody to see".

"We are doing our share the best way we could," Ohn Gyaw said, pointing out that foreigners, including journalists were free to come and observe Burma's anti-narctotics activites for themselves.

The United States and other western countries cut aid, including anti-narcotics assistance to Burma after a 1988 pro-democracy uprising was put down by the military with substantial loss of life. Since then various Western anti-narcotics officials, including the head of the U.S. Drug Enforcement Administration (DEA), have expressed doubts about the Burmese regime's committment to eradicating illegal drugs.

The public destruction of narcotics at a police headquarters in a northern suburb of the Burmese capital was attended by senior diplomats, United Nations officials as well as representatives of the DEA.

Also in attendance was Charles Rangel of the U.S. Select Committe on Narcotics and members of his delegation, currently on a visit here.

Rangel and his delegation, including former U.S. Congressman Lester Wolf, travelled to northeastern Shan State which forms Burma's segement of the infamous Golden Triangle opium producing area, which also includes northern Thailand and northwestern Laos.

The Americans visited the Kengtung area of Shan state where the Burmese regime has been introducing development activites, including income substitution projects for the hill villagers in the area.

The Burmese section of the Golden Triangle is considered the world's largest source of illegal opium. Western anti-narcotics officials estimate opium production in the Burmese sector of the triangle is well over 2,000 tonnes a year.

The drugs destroyed Sunday had been seized by police and deposited with the criminal investigation department at the conclusion of the trials of those caught in possession of the drugs. It was the seventh public drug burning ceremony in the capital since 1990.

Burmese authorities seized 1,400 kilograms (3,080 pounds) of heroin and opium in the first six months of the year, according to official figures.

Minister, Delegation Leave for Regional Meeting

BK2908075393 Rangoon Radio Burma in Burmese 1330 GMT 28 Aug 93

[Text] A Myanmar [Burmese] delegation led by U Khin Maung Yin, minister of construction, left Yangon [Rangoon] for Manila by air this evening to attend the second phase regional economic cooperation meeting sponsored by the Asian Development Bank to be held in Manila, Philippines, on 30-31 August 1993.

The delegation was seen off at Yangon airport by Rail Transportation Minister U Win Sein, Cooperatives Minister U Than Aung, senior departmental officials from the construction ministry, relatives, and friends.

Minister U Khin Maung Yin was accompanied by Daw Win Win May, director of the ministry of foreign affairs; U Nyi Nyi, director of the office of the work committee for the development of border areas and national races, ministry of development of border areas and national races; U Thein Lwin, director of the planning department, ministry of energy; U Win Mu, general manager of Myanmar Railways, ministry of rail transportation; U Kyaw Myint, director of the foreign economic relations department, ministry of national planning and economic development; and U Khin Maung Se, personnel officer of the minister.

SLORC's Special Envoy Group Returns 29 Aug

BK2908150993 Rangoon Radio Burma in Burmese 1330 GMT 29 Aug 93

[Text] A special envoy group of the State Law and Order Restoration Council [SLORC] led by U Win Pe, member of the Myanmar [Burmese] Language Commission, returned to Yangon [Rangoon] by air this evening after touring foreign countries for over two months to explain and discuss the true situation of Myanmar's [Burma] changing developments.

They were welcomed at Yangon airport by Lieutenant General Pe Nyein, director general of the office of the SLORC; U Soe Tint, director general of the Government Office; U Khin Kywe, director general of the President's Office; U Myo Nyunt, director general of the office of the People's Assembly; Thura U Aung Htet, U Aye Lwin, and U Khin Maung Ohn, directors general of the Ministry of Foreign Affairs; and responsible personnel.

Members of SLORC's special envoy group U Set Maung, legal adviser of the office of the SLORC; U Ba Thwin, director general of the Ministry of Foreign Affairs; Dr. Than Nyunt, rector of the Institute of Economics; and Major Ngwe Tun of the Ministry of Defense also returned.

The SLORC special envoy group left Myanmar on 4 June 1993 and visited Britain, Austria, Germany, the United States of America, Australia, Hong Kong, and Japan.

During the visit to those countries, the delegation met with former U.S. President Jimmy Carter and senators; Australian Foreign Minister Mr. Gareth Evans; Senator Mr. Tetsuo Ozawa, president of the Japan-Myanmar Association, and senators; senior government officials of various countries; personnel from international organizations; nongovernmental organizations; universities; economic organizations; private entrepreneurs; expatriate Burmese; personnel from foreign news media and magazines; responsible personnel from foreign broadcasting stations; personnel from opposition organizations. The delegation explained the absolutely true changing political, administrative, economic, and social situations, and also answered questions raised by them.

Brunei, Malaysia & Singapore

Malaysia

Visiting Albanian Official Comments on Help

BK2708120793 Kuala Lumpur BERNAMA in English 0751 GMT 27 Aug 93

[Text] Kuala Lumpur, Aug 27 (OANA-BERNAMA)—Albanian Deputy Foreign Minister Arian Starova Friday praised efforts by the Malaysian Government to help reform his country's economy, a move that could prevent it from being enveloped by the Balkan conflict.

The Malaysian Government cooperation is a great help for Albanians, not only in terms of economic and overall development but in creating a guarantee for business stability in the Balkan region, he told a joint press conference here.

Although Albania was traditionally part of the Balkans, it was not involved in any aggression towards any country, he added.

The economic and overall development of Albania, which guaranteed peace in the country, was important for promoting relationships and collaborations with other Balkan countries and the rest of the world, he said.

Starova said Albania would cooperate with Malaysia in efforts to create peace and stability in both their regions and the rest of the world.

Albanian President Dr. Sali Berisha would be making an offical visit to Malaysia in January next year to further enhance the relationship between both countries, he added.

Earlier, Starova had a bilateral meeting with Malaysian Foreign Ministry Secretary-General Ahmad Kamil Jaafar before signing an agreement for partial visa abolishment for citizens of both countries.

Ahmad Kamil said the agreement was to allow the citizens of the two countries to visit each other without visa for stay of not more than 30 days.

Both governments also agreed to open diplomatic missions in each other's countries as soon as possible, he added.

Ahmad Kamil said Malaysia had also agreed to build a hospital in Tirana, the Albanian capital, and equip it while the Albanian government had agreed to send its nurses and doctors to Malaysia. A group of health ministry officials would be leaving for Albania in October to look into this.

Malaysia would also provide technical co-operation assistance to Albania in the medical, banking, privatisation and tourism fields besides looking into bilateral agreements on avoidance of double taxation, trade and investment guarantee, he added.

Other issues raised at the meeting included that of Bosnia-Herzegovina.

Starova has been here since Wednesday, accompanying Albanian Deputy Prime Minister Bashkim Kopliku on a six-day official visit to Malaysia.

Rivals Seek To Replace Ghafar in Party Post

BK2508153793 Hong Kong AFP in English 0825 GMT 25 Aug 93

[Text] Kuala Lumpur, Aug 25 (AFP)—Malaysia's Deputy Prime Minister Ghafar Baba has come under pressure to withdraw from a contest for the deputy presidency in the party led by Premier Mahathir Mohamad, officials said Wednesday.

But Ghafar's aides maintained he would not throw in the towel but battle Finance Minister Anwar Ibrahim for the deputy president's post in the United Malays National Organisation (UMNO), the dominant party in the ruling National Front coalition.

The UMNO president has traditionally held Malaysia's premiership while the party's deputy president has held the post of deputy prime minister.

"Ghafar is the incumbent and will defend his post," said Alias Mohamed, Ghafar's press secretary, as senior UMNO leaders prepared to send a delegation to convince the party elder to pull out of the November 4 contest.

Anwar, 46, announced Monday he was challenging the 68-year-old Ghafar for the party's number two post, saying there was a groundswell of grassroot opinion in favour of him becoming Mahathir's deputy.

"Ghafar should accept facts and the wishes of the majority of party members," said Najib Tun Razak, head of UMNO's powerful youth wing which planned to meet Ghafar "in a day or two" to seek his withdrawal from the contest.

Eight of the 14 UMNO federal cabinet ministers—nearly all deputy ministers and chief ministers of the nine UMNO-controlled Malaysian states—flanked Anwar Monday as he announced his candidacy.

A firebrand Islamic activist and government critic before he joined UMNO in 1982, Anwar had built up a strong base in the party during his meteoric rise in Mahathir's government, analysts said.

Before he become finance minister in 1991, Anwar had held the youth, sports and culture, agriculture and education ministerial portfolios.

"Anwar represents a new generation of Malays who have come on strong in all fields of the economy. I don't think they are prepared to have a leader who reminds them of the past and does not represent their ethos," said Chandra Muzaffar, a political analyst.

UMNO is Malaysia's largest political party, with a membership of some two million Moslem Malays.

Ghafar, whose political career spanned four decades and has widespread grassroots following, said recently that UMNO should remain a "village party" and "not become a creature of corporate interests."

"I did not descend from the sky ... just a village boy with primary school education," said Ghafar, a former teacher and one of the few ministers without a university degree.

Party insiders said Anwar, a Malay studies university graduate, enjoyed at least 70 percent support from the 153 UMNO divisions, which would begin submitting their nominations from September 9 for leaders contesting in the party polls.

Under the party constitution, candidates for the party presidency and deputy presidency will earn 10 bonus votes for each divisional nomination they receive, UMNO officials said.

"With a majority of the possible 1,530 bonus votes strongly expected to come in Anwar's favor, he would be the favourite before he steps into the ring," said a party insider.

Some 1,800 voting party delegates would cast their ballots during the triennial party polls on November 4.

Singapore

Visiting Cambodian Copresident Discusses Aid

BK2708154593 Singapore Singapore Broadcasting Corporation in English 1400 GMT 27 Aug 93

[Text] Cambodia is seeking Singapore's help in reconstruction of its airports and seaports. Copresident Prince Ranariddh, who is here on a three-day visit, said he discussed the matter with the prime minister, Mr. Goh Chok Tong. He said he wanted the Civil Aviation Authority of Singapore to set up a master plan to build the new international airport, probably outside the capital of Phnom Penh. The Port of Singapore Authority has also been asked to send a team to (?rehabilitate) its seaport at Sihanoukville.

On investment, Prince Rinariddh said Cambodia is keen to attract Singapore companies.

Prince Ranariddh leaves tomorrow for Bangkok.

Daily Supports Ong Teng Cheong for Presidency

BK2908091593 Singapore THE STRAITS TIMES in English 28 Aug 93 p 34

[Editorial: "Teng Cheong Is Our Choice"]

[Text] The most profound change to Singapore's body politic in recent years occurs today as the nation goes to the polls to choose its first elected President. There are two candidates: former Deputy Prime Minister Ong Teng Cheong and former Accountant-General Chua Kim Yeow. The choice facing 1.7 million voters is a crucial, yet paradoxically straightforward, one: to select the better candidate. In exercising that choice, it is essential that the two candidates be compared, logically and calmly, in terms of fundamental criteria. What is at stake is nothing less than the continued health of Singapore's political system.

The first criterion is which candidate will serve Singapore's long-term interests better in deciding how national reserves are to be spent. This calls not merely for accounting ability—though that is important—because in exercising the technical expertise required to take the proper decisions, the elected President will be aided by the Council of Presidential Advisers. What is required is essentially political judgment, which can come only from having a sense of history—of how Singapore got to be where it is today—and from being aware of the larger, global picture within which Singapore will have to operate to stay successful. Political judgment also means a grassroots sensitivity to the temper of the times: wealth ultimately is social wealth, and to be custodian of the national reserves is also to be custodian of Singaporeans' needs and aspirations. That is not to deny that the elected President should be fiscally conservative. Far from it. Indeed, the most compelling reason for the post is to have a person who can act as a check on a possibly irresponsible government which tries to buy power by squandering the reserves. However, what is most likely to happen is that the President will have to operate within a narrow band of choices as he balances the need for fiscal responsibility with responsiveness to popular desires.

In answering to the need for fiscal conservatism, both Mr. Chua and Mr. Ong have strong credentials; in fact, as a former Accountant-General, Mr. Chua may be thought to be tailor-made for the job. However, since the real challenge will lie in being able to strike a proper balance between saving and spending, Mr. Ong holds the edge over his rival. When, during the last recession, he convinced Singapore's workers to accept a 10 percentage point cut in employers' contribution to their CPF [Central Provident Fund] savings, Mr. Ong, as head of the National Trades Union Congress, no less, proved how he could pursue tough, hurting policies necessary for Singapore's long-term good. However, it was the same Mr. Ong who could be equally adamant, and in the face of formidable opposition, in deciding to spend where necessary, as he did when he pushed through the $5 billion MRT [Mass Rapid Transit] which transformed not merely transport but also land-use patterns in Singapore. He is fiscally conservative, but he is not a prisoner of his conservatism. That is the kind of President Singapore needs.

Another criterion is the President's responsibility to preserve the integrity of key civil service appointments, and here, too, Mr. Ong has wider experience than Mr. Chua in taking key decisions on personnel. Beyond these, there are two more criteria to consider. The President needs to possess strength of character and moral courage, especially if he is someday required to stand up to the Government. While Mr. Chua cannot be accused of not possessing these abilities, Mr. Ong's capabilities are certainly more evident, as in his critical appraisal of the People's Action Party's performance in the 1991 general election and his reminder to the Government not to forget the aspirations of the less vocal in society. Lastly, the President needs to be a symbol of national unity, preserving religious harmony and social cohesion in a young nation. Here, too, Mr. Ong, a man of the people, has an edge over Mr. Chua. He has what it takes to shape the elected presidency in the nation's best interest.

Ong Elected President

BK2908004893 Hong Kong AFP in English 2052 GMT 28 Aug 93

[Text] Singapore, Aug 29 (AFP)—Singaporeans on Sunday elected Former Deputy Premier Ong Teng Cheong their first president with powers to overule government decisions that could hurt their prosperity.

Ong, 57, received 952,513 votes, 58.7 percent of valid ballots cast while former civil servant Chua Kim Yeow, 67, put up an unexpected strong showing by taking 670,358 votes or 41.3 percent.

Almost 95 percent of Singapore 1.75 million voters cast their ballots, electoral returns showed.

Analysts said Chua's showing indicated that the former accountant-general had collected a strong anti-government vote after two opposition candidates had been disqualified from running.

A government commission had said it was not satisfied that lawyer Joshua Jeyaretnam, a long-time thorn in the back of Prime Minister Goh Chok Tong's People's Action Party (PAP), and Tan Soo Phuan were persons of good character or integrity.

Ong will be sworn in on Wednesday for a six-year term to replace President Wee Kim Wee, a former diplomat and journalist appointed by parliament in 1985. Wee has performed a largely ceremonial role.

The presidency was revamped by parliament in 1991 to provide for Singapore's first direct elections to the post and give its holder wide executive powers, including the right to block government spending of Singapore's huge reserves totalling some 43 billion U.S. dollars.

"The support you have given me gives me confidence in discharging my duties. You have given me a strong mandate and moral authority to carry out my duties," Ong told cheering supporters soon after the result was announced.

"I pledge to do my best in discharging my duties," he added.

As Singapore's first elected president, Ong can veto government appointments to top civil service, military and judicial positions.

He also has powers to oversee corruption investigations and the government's use of security laws providing for detention without trial.

Ong, who quit the deputy premiership to contest the presidency, was widely seen as a shoo-in after his nomination by the giant National Trades Union Congress (NTUC) and endorsement by Goh and the PAP which has dominated Singapore's political life for more than 30 years.

But Chua, tagged "the reluctant candidate" by local newspapers after admitting he was persuaded to run by the government to give Singaporeans a choice, launched a late appeal for support on Thursday.

He said that voters risked putting too much power into the hands of the PAP by voting for Ong.

"In Singapore, as you know, the PAP dominates the government and dominates the legislature. Do you want the PAP to dominate the presidency as well?," he said.

Chua argued in the second of two TV appearances that as a non- political president he would be a better check on government abuses than Ong, a politician with close links to the PAP.

Ong told voters that his vast political experience would help him make critical decisions like whether to allow the government to use some of its vast reserves during an economic downturn.

He has pledged to work independent of the PAP, despite a long association with the party which holds all but four of the 81 seats in parliament.

Under the 1991 constitutional changes, only leading members of Singapore's political and corporate establishments, numbering some 400 people, qualify to run for the revamped presidency.

Cambodia

Sihanouk Thanked for Agreeing To Convene Talks

BK2708020093 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 26 Aug 93

["Message from His Excellency Khieu Samphan, chairman of the Party of Democratic Kampuchea and member of the Supreme National Council, to Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council;" dated 25 August—read by announcer]

[Text] To Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council [SNC]

Respected Prince: I would like to express most profound thanks to the prince head of state for kindly agreeing to receive H.E. Chan Youran on 23 August.

I am very happy to hear from H.E. Chan Youran that (?the prince) has agreed to convene a roundtable meeting of (?Cambodian) leaders [gap of roughly three seconds] 93 under the prince's lofty chairmanship. The Party of Democratic Kampuchea [PDK] and I fully support this clear-sighted idea in order to move toward national reconciliation and to achieve peace for our nation and people.

Prince, please accept my sentiments of most profound respect and affection you and the royal consort.

[Dated] 25 August 1993
[Signed) Khieu Samphan, PDK chairman and SNC member

KR Denounce Roundtable Meeting Opponents

BK3008052593 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 29 Aug 93

[Station commentary: "The Prince Father, Head of State, Has Allowed a Roundtable Meeting on National Reconciliation To Be Held on 3 September 1993, But Again the Vietnamese and Their Puppets as well as the Entente Have Begun To Oppose It"]

[Text] It has been reported that the Prince Father, head of state, has allowed a roundtable meeting on national reconciliation to be held in Beijing on 3 September 1993 in keeping with Mr. Khieu Samphan's two-point proposal. Nevertheless, the Vietnamese aggressors and their puppets and the entente continue to oppose the Prince Father's national reconciliation plan. This allows the Cambodian nation and people to clearly see who are the opponents and advocates of the Prince father's plan.

I. The advocates of the Prince Father's national reconciliation plan, those who want the roundtable meeting to take place quickly, are:

A. The entire Cambodian nation and people.

B. His Excellency [H.E.] Son Sann, chairman of the Constituent Assembly and of the Buddhist Liberal Democratic Party [BLDP].

C. The FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party and its masses.

D. China, Thailand, and the ASEAN states. These countries have constantly made it known that it is impossible to eliminate one of the Cambodian parties as it can never bring about peace to Cambodians. On the contrary, it will prolong the war in Cambodia, and thus seriously affect the peace, security, and stability of the region. They have also stated that foreigners should not interfere in Cambodia's internal affairs and that Cambodians should be allowed to settle their own problems.

II. The forces opposing national reconciliation and preventing the roundtable meeting from being held in accordance with the Prince Father's plan are the Vietnamese aggressors and some of their cheap lackey puppets as well as the entente in and outside UNTAC [UN Transitional Authority in Cambodia]. These warmongers continue to implement the strategy of dividing the Cambodian nation, aiming only to preserve one party, meaning the Vietnamese lackey puppets' party the Hanoi Vietnamese have installed since their invasion and occupation of Cambodia in 1979. They have strived to eliminate Democratic Kampuchea in order to include other political parties in the regime of the Vietnamese lackey puppets. Those opposing national reconciliation are now revealing their faces and stratagems as clearly as daylight. They are intensely pitting the national forces, which cooperated in fighting the Vietnamese aggressors for 14 years, against one another. However, the Cambodian people have seen with their own eyes that all the cat's paws are Vietnamese lackey puppets' soldiers disguised as Para troops.

The ANKI [National Army of Independent Cambodia] has only a few troops. These troop have been placed under the command of the Vietnamese puppet soldiers. They were also forced at gunpoint by the puppet soldiers wearing Para uniforms to shoot the people and the Democratic Kampuchea forces. The entente made all-out efforts in an offensive to smash the people and Democratic Kampuchea to pieces. It gave money; helped to ship troops, armaments, and ammunition by trucks and helicopters; and assisted in gathering intelligence and searching for Democratic Kampuchea bases.

That being the case, the Cambodian nation and people are not muddled over which are the forces wanting national reconciliation and those breaking up the nation. They have seen the enemies who are tearing the nation apart. This is why now, more than ever before, they have joined forces to achieve national reconciliation in accordance with the Prince Father's plan.

Ranariddh Returns From Singapore, Comments

BK2908120993 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1100 GMT 29 Aug 93

[Text] At 1100 on 29 August, Prince Kromluong Norodom Ranariddh, cochairman of the Provisional National Government of Cambodia [PNGC], and his wife returned safely to Phnom Penh on a Cambodian airline flight after a three-day official visit to the Republic of Singapore and after a one-day unofficial stay in the Kingdom of Thailand.

It is to be noted that the delegation accompanying the official visit to Singapore starting on 26 August had already returned to Phnom Penh on 28 August. PNGC high ranking officials were present to greet the arrival of Prince Kromluong and his wife.

Answering reporters' question, Prince Kromluong talked about the Khmer Rouge issue, stressing that the Khmer Rouge can join the Cambodian national government but should not impose any conditions because the government cannot accept the three conditions put forth by the Khmer Rouge. Furthermore, the government will not hold talks with the Khmer Rouge. What is important is that the Khmer Rouge should put national issues above everything else, meaning that they should join the national community by handing over the territory under their control and their troops to the national government without any conditions whatsoever.

In the afternoon of the same day, 29 August, there was a ceremony at the residence of Prince Kromluong Norodom Ranariddh, who on behalf of His Royal Highness [HRH] Prince Norodom Sihanouk, Cambodian head of state and chairman of the Supreme National Council [SNC], signed with [name indistinct], representative of the official U.S. aid organization, documents relating to aid for Cambodia, worth $24 million, to repair and build bridges on National Route 4 from Phnom Penh to Sihanoukville and from Sihanoukville to the provincial town of Kampot.

Prince Norodom Sirivut, minister of foreign affairs and international cooperation, was also present on this occasion.

Warns KR on 'Outdated' Propaganda

BK2908103493 Hong Kong AFP in English 0956 GMT 29 Aug 93

[By Kevin Barrington]

[Text] Phnom Penh, Aug 29 (AFP)—Cambodian Co-premier Prince Norodom Ranariddh, "fed up" with outdated Khmer Rouge propaganda, warned the radical faction's leader Sunday to be more realistic if he wants to the government to negotiate.

Prince Ranariddh said the government had the upper hand after its recent battlefield success and was willing to talk but only on its own terms. "We are now definitely in the better situation and position to talk," he said.

The prince described himself as "fed up" with Khmer Rouge nominal leader Khieu Samphan's insistence that the faction was still fighting Vietnamese aggressors and their "puppets," despite overwhelming evidence to the contrary.

"If His Excellency Hun Sen (the other Cambodian co-premier) decides that we would have such a roundtable (negotiations), we will listen to Mr. Khieu Samphan," Prince Ranariddh said.

"But if he sticks to the same phraseology or same rationale, I think it would be very difficult to go further in our talks."

Speaking upon his return from Singapore, the prince said there was a tentative arrangement for roundtable discussions September 3 in Pyongyang, where Cambodian head of state Prince Norodom Sihanouk is visiting.

Khieu Samphan recently called for urgent negotiations on his faction's future role in the government as government troops captured major guerrilla bases and cut off strategic supply lines.

The Khmer Rouge has said it was willing to accept an advisory role in the new government but it has so far refused to meet the government's preconditions that it first stop all military activity and open up its zones to the government.

Instead, the guerrillas continued to attack government positions and capture territory in a campaign that government and U.N. officials interpreted as an attempt by the radical faction to increase its bargaining power.

The campaign, however, backfired.

Prince Ranariddh said he met with Khieu Samphan on August 8, the eve of the start of the recent nationwide offensive, and that the nominal leader left the government with no alternative but to go ahead and attack.

"After my talk I have seen that the Democratic Kampuchea (Khmer Rouge) does not change its stand and so I have to accept that we should launch a military operation aimed at protecting our areas, our people," he said.

The Khmer Rouge is still claiming the government is under the control of the leaders of the Vietnamese-installed Phnom Penh party, whom the faction calls Vietnamese puppets, despite the royalist FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party's participation as coalition partners.

"But they still are willing to be advisors of puppets—it is not really logical," the prince said.

The Khmer Rouge also allege that there are still Vietnamese troops in Cambodia despite Hanoi's statements that all troops were withdrawn in 1989.

"But the people in the countryside have clearly seen that we don't have any more such Vietnamese," the prince said, adding that the Khmer Rouge rank and file were becoming aware of this fact.

"The rank and file of the DK soldiers, they don't want to fight anymore. They are fed up with war like we are fed up with it," he said.

U.N. Force Commander Lieutenant General John Sanderson said Friday that an important aspect of the recent offensive was that the Khmer Rouge found itself pitted against its former resistance allies, the FUNCINPEC and Khmer People's National Liberation Front.

The Khmer Rouge were allied with the two factions against the Phnom Penh regime throughout the 13-year-civil war which came to a formal end with the 1991 signing of the Paris peace accords.

The Khmer Rouge boycotted May's U.N. organsied polls which led to the formation of the coalition government between the faction's former allies and its former foe.

500 KR Troops 'Surrendered' in Kompong Thom

BK3008031393 Bangkok THE NATION in English 30 Aug 93 pp A1, A4

[Text] ABOUT 500 Khmer Rouge troops in the strategic central province of Kompong Thom have surrendered in the last two weeks amid fresh signs that guerrilla resistance to Cambodia's new unified government is collapsing.

The mass surrender follows a coordinated govemment offensive in mid-August against Khmer Rouge positions across northwest Cambodia, including the guerrillas' divisional headquarters in Sakream in the north of Kompong Thom.

However Col Si Nin, one of the Khmer Rouge's top commanders in the province, said that the recent fighting had only been light and had not influenced his decision to lead 66 of his men out of the forest in Steong district on Aug 15.

"We are tired of the bloodshed and the war," he told THE NATION yesterday at a camp 10 km north of Kompong Thom town, where many of the former guerrillas are being held.

"All the commanders heard (Cambodian co-president) Prince Ranariddh's radio statement calling for an end to the fighting and for the soldiers to join his government and help restore Cambodia," he said.

Col Ngan Suo, commander of the government forces in Kompong Thom said many of the Khmer Rouge units in the area were short of food and medicine, but stressed that he believed a desire for peace was the main reason so many guerrillas were abandoning their leaders.

"Since Aug 9 about 500 Khmer Rouge have surrendered. I have heard reports that more are surrendering in other provinces but I don't know how many," he said. Among the guerrillas being held were six of the highest ranking officers in the province, he said.

UN military officials in Kompong Thom confirmed that "hundreds" of Khmer Rouge soldiers had surrendered in recent weeks although they did not specify a number.

Cambodian Red Cross [CRC] officials in Kompong Thom town said they had delivered rice and mats to 289 guerrillas who are being held at the Kompong Thom camp.

"They looked weary and hungry. I think they were very happy to see us," said Suon So, CRC director of Kompong Thom province.

Nin said he had decided to surrender after discussing the matter with his troops. He did not know if other Khmer Rouge commandeers would continue to fight.

On Thursday, Khmer Rouge leader Khieu Samphan appealed to cadres to continue their struggle against "the Vietnamese and their puppets" in Phnom Penh and called on his former allies, the Funcinpec [National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia] Party and the Khmer National Liberation Front, to abandon the coalition government that was formed after the May elections.

Nin, who said he joined the Khmer Rouge in 1984 five years after the Vietnamese toppled the radical Maoist group from power, said he no longer believed his leaders' assertions about Vietnamese control of the central government in Phnom Penh.

"Our leaders have always warned of the Vietnamese, but in 10 years of fighting I have never seen Khmers kill Vietnamese, I have only seen Khmers kill Khmers," he said.

Col Suo said the guerrillas would be held in the camp for one week during which time they would be instructed in the current political situation in Cambodia and then be allowed to return to their families.

The holding camp in Thnal Bek is only lightly guarded and the government commander said that the detainees could ask permission to visit the main town.

"It is not only the general, all the Khmer Rouge soldiers are free to walk around. They are not hostages," Suo said.

Nin said he hoped to soon return to his family and farming in Kompong Svay district, but at the moment lived in fear of reprisals from his commanders.

"Every army needs its weapons and now that I have surrendered mine I am worried they will send someone to kill me," he said.

Most of the guerrillas that have surrendered come from 616 Division which was once one of the strongest in Cambodia.

"There are still Khmer Rouge in Stoung who are continuing to fight, but the back of the division has been broken," Suo said.

Kompong Thom province, which straddles some of the Khmer Rouge's main supply lines running from the Thai border to areas under its control in eastern Kompong Cham Province, has seen some of the fiercest fighting between the Cambodian factions in recent years.

Heng Tot, a government fisheries official, said he was terrified when he learned he was being sent to Kompong Thom six months ago.

"When I arrived everybody in the office had AK47 guns and the Khmer Rouge were only kilometres away up the river.

"But now it is quiet. Hopefully this means peace is near. I can't understand why the other Khmer Rouge continue to fight," he said.

The surrender of much of the 616 Division is the biggest loss of manpower the Khmer Rouge has suffered in the last decade and comes amid reports of conflict between the shadowy group's leadership in the wake of the May elections. The group is now at its most vulnerable since 1979.

CNAF Reports 11-25 Aug Battle Results

BK2708152793 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1300 GMT
27 Aug 93

[Text] According to reports from the Cambodian National Armed Forces [CNAF] General Staff's Operational Department, in Banteay Meanchey Province between 18 and 23 August, government troops killed 13 Democratic Kampuchea [DK] soldiers from the 518th and 519th Divisions and forced the following four DK generals to surrender: (Chau Son), deputy commander of the 2d Military Region; (Heng Nau), member of the 2d Military Region command; Tep Phum, deputy commander of the 4th Military Region; and (Him Bu), deputy commander of the 3d Military Region. Along with this, we also captured 500 armed peasants and seized a significant quantity of materiel and 3,091 assorted arms, including an 85-mm cannon and a 122-D-30 [as heard] gun. Of the seized weapons, 2,767 were seized at Phnum Chhat and Phnum Prak areas and 274 were taken from active Khmer Rouge security guards in Phnum Srok and Svay Chek. As for the CNAF troops, four of them were killed and 24 others were wounded.

In Kompong Thom Province between 19 and 25 August, we killed 25 enemy soldiers from the 616th Division and captured 262 others, among whom many were armed peasants. We forced 361 enemy troops—including regimental Commanders (Tieng Dan) and Nin Khoeun, 10 battalion commanders, 26 company commanders, 18 platoon commanders, and 11 group leaders—to surrender. And we also seized 2,896 assorted firearms, including two 85-mm and 105-mm cannons, and two 122-D-30 guns. As for the CNAF combatants, 14 were killed, including a lieutenant colonel, and 22 others were wounded.

In Siem Reap Province between 11 and 23 August, we killed 49 enemy soldiers from the Khmer Rouge 980th and 912th Divisions and captured one. We also forced 97 armed peasants to surrender and seized 126 firearms. Our casualties have not yet been reported.

Khmer Rouge 20-23 Aug Activities Reported

BK2708021993 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1200 GMT 26 Aug 93

[Text] According to reports from the Operational Department of the Cambodian National Armed Forces [CNAF], Democratic Kampuchea [DK] forces have regrouped in Banteay Meanchey, Kompong Thom, and Siem Reap-Oddar Meanchey Provinces. They have also continued their activities in other provinces, such as Kompong Chhnang, Kompong Cham, Kompong Speu, Kampot, Kratie, and Battambang.

Exercising the right of self-defense, the CNAF in Siem Reap Province was able to take full control of the areas of Kambao Ar and Khvav, north of Chikreng District. On 22 August, DK forces moved their fighters to areas opposite the CNAF forces in Chong Kal and Samraong Districts of Siem Reap-Oddar Meanchey Province. At the same time, they painstakingly conducted maneuvers to intimidate the CNAF troops into withdrawing from a number of positions, including (Chhuk), Romiet, Bak Noem, Ampil, and Anlung [words indistinct]. Another unit of DK soldiers from Divisions 980 and 912 consolidated their bases in the Sre Sakmut area and at Ampil and Lvea Krang villages, some 10-15 km northwest of Sre Noy.

Also in Siem Reap Province on 20 August, DK forces fired an H-107 rocket at the Siem Reap provincial airfield, but no casualties were reported. On 22 August, a group of soldiers from the DK 980th Division laid an ambush for government troops transporting supplies from Tuol Kruos to Sre Noy. On the same day, a number of soldiers of the DK 52d Regiment regrouped in the Me Chrey area southwest of Puok District in a bid to attack some villages and communes there.

In Kompong Cham Province on 22 August, elements of the DK 417th Division fired two B-67 shells at O M'lu village in Stoeng Trang District. Meanwhile, in Kompong Kranhung village, a group of Khmer Rouge soldiers kidnapped a militiaman while another team robbed our local innocent people of some belongings.

On 21 August at 2200, a group of about 10 DK soldiers from the 785th Division entered Khla Krohoem and Ampil Toek villages in Kompong Tralach District, Kompong Chhnang Province and took 10 firearms from local militiamen.

On 20 August, a group of DK soldiers from the 19th Division regrouped in an area west of Samakki Meanchey District with the aim of blowing up bridges and railroads.

On 20 August, DK forces fired 20 mortar shells with 82-mm and DK-82 guns in Battambang Province.

After achieving eventual success in the high-altitude Phnum Chhat area and at (?Phnum Prak) village in Banteay Meanchey Province, the CNAF, which has since achieved further successes, continues to exercise its right of self-defense. On 23 August, the CNAF 2d Division continued its self-defense activities around the Phnum Chhat area, finding a DK arms cache consisting of 377 guns, including a 120-D-30 [as heard] cannon and an 85-mm gun. The CNAF 44th Division found and seized two vehicles.

CNAF forces also continued to exercise their rights of self-defense in Svay Chek and Phnum Srok Districts, seizing a total of 274 guns from active DK security guards at Kamping Puoy village of Nam Tav commune, and Kouk Lveang and Bantoap Bak villages in Phnum Srok and Svay Chek Districts, respectively. On 21 August, the CNAF 79th Division disarmed and seized 76 guns from active DK security guards at Pao Che village in Phnum Srok District. In the same province, four DK brigadier generals rallied to the CNAF and returned to the national community. It is worth noting that among the four brigadier generals, one is a former regional deputy commander and member of the regional command in Banteay Meanchey Province.

UN Said To Take Part in Phnum Chhat Offensive

BK2908024593 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 28 Aug 93

[Text] Reliable sources reported that before launching the offensive against the people and Democratic Kampuchea at Phnum Chhat, UNTAC [UN Transitional Authority in Cambodia] leaders set up a school for training intelligence agents of the Vietnamese puppets at Boeng Trakuon in Thmar Puok District of Battambang Province.

The report said that UNTAC leaders advised the Vietnamese puppets' and UNTAC's agents to seek information about Democratic Kampuchea in preparation for the Vietnamese aggressors and their puppets to attack the people and Democratic Kampuchea at Phnum Chhat.

The report said that at a meeting of the core groups in Phnom Penh, UNTAC Chief Akashi encouraged the provisional government's troops to attack Democratic Kampuchea.

The report added that during the offensive, many UNTAC cars and helicopters piloted by UNTAC's French personnel brought many large and small guns and ammunition to the evil Vietnamese puppet troops for them to use in attacking the people and Democratic Kampuchea at Phnum Chhat. UNTAC's Australian personnel at Thmar Puok actively arranged this militlary campaign. Meanwhile, UNTAC's U.S. personnel were in charge of paying those taking part in the offensive. The United States has used money to make the Vietnamese aggressors attack Cambodia and to pit the Cambodians against their own fellows.

The report said that after the offensive against the people and Democratic Kampuchea at Phnum Prak in Phnum Chhat area, UNTAC spokesman Eric Falt expressed great delight over the outcome of this offensive. He loudly announced on UNTAC radio that it was a big victory.

The above activities of the evil UNTAC leaders clearly show that the foreigners have grossly interfered and are interfering in Cambodia's internal affairs. They have jointly opposed the prince father's national reconciliation plan and the two-point proposal of the party of Democratic Kampuchea. They have tried to undermine the Cambodian nation and destroy peace in Cambodia so that they can scramble for interests from the Cambodian nation and people.

The Cambodian nation and people are very angry with and vehemently condemn those evil UNTAC leaders who have helped the Vietnamese aggressors and their puppet ringleaders in attacking the people and Democratic Kampuchea at Phnum Chhat.

The people will not stand idle and let the Vietnamese aggressors and evil foreigners to jointly kill them.

AFP Cited on Li Peng Warning to Thailand

BK2708141693 Phnom Penh AKP in English 0954 GMT 27 Aug 93

[Text] Phnom Penh AKP August 27—Chinese Premier Li Peng on Thursday [26 August] appeared to warn Thailand against interfering in the internal affairs of Cambodia, reports AFP.

Li told Thai Prime Minister Chuan Likphai during a meeting in Beijing that "no outside forces should interfere in the internal affairs of Cambodia," Foreign Ministry spokesman Wu Jianmin told a briefing.

The Chinese leader did not mention Thailand by name, but the Cambodian Government has accused Thailand of helping Beijing's erstwhile allies, the Khmer Rouge, in recent battles against Phnom Penh forces.

Li also said that Prince Norodom Sihanouk should be given a larger role in deciding Cambodia's affairs, amid differences over his constitutional role.

"We maintain that under the current circumstances greater attention should be given to the role of Prince Norodom Sihanouk," Li was quoted as saying.

The party headed by Sihanouk's son has proposed a constitutional monarchy, while the other main proposal outlined a parliamentary system where a head of state is elected to a five-term and would appoint a prime minister.

Cambodia's legislature is to meet on the constitution September 10.

China was once the main military backer of the Khmer Rouge, but pledged to halt all support following a 1991 Cambodian peace accord.

Government Delegation Departs for DPRK

BK3008054493 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 0430 GMT 30 Aug 93

[Text] At the invitation of the DPRK Government, a delegation of Cambodian political personalities consisting of Samdech Son Sann, chairman of the Cambodian Constituent Assembly; His Excellency [H.E.] Chea Sim, vice chairman of the Constituent Assembly; Prince Kromluong Norodom Ranariddh and H.E. Hun Sen, cochairmen of the Provisional National Government of Cambodia [PNGC]; and others left Phnom Penh for Pyongyang on the morning of 30 August for an official visit to the DPRK.

Seeing off the delegation at Pochentong International Airport were Excellencies Keat Chhon and Ung Phan, deputy prime ministers; Excellencies Ing Kiet and Van Molivan, state ministers; and other senior PNGC officials as well as several foreign diplomats.

It is expected that during their visit to the DPRK, the Cambodian personalities will hold talks with the Party of Democratic Kampuchea. The four personalities will also present the just-completed draft constitution to His Royal Highness Prince Norodom Sihanouk in an audience.

Foreign Minister Receives Australian Envoy

BK2808063593 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 0430 GMT 28 Aug 93

[Text] On the morning of 27 August, Prince Norodom Sirivut, minister of Foreign Affairs and International Cooperation, received and held cordial talks with John Scott Holloway, Australia's permanent representative to Cambodia.

During the meeting, John Scott Holloway informed Prince Norodom Sirivut that the Australian Government has decided to upgrade its diplomatic mission in Cambodia to the level of ambassador extraordinary and plenipotentiary.

The Australian permanent representative also stressed that the Australian Government and people will continue to promote bilateral cooperation between Cambodia and Australia and give all-around assistance to the Cambodian Foreign Ministry, such as in the fields of computer and technical training and the exchange of officials for doing research in various areas of work, including agriculture.

John Scott Holloway also invited Prince Norodom Sirivut to visit Australia on behalf of the Australian Government.

In his reply, Prince Norodom Sirivut expressed deep thanks to the Australian Government and people for helping to rehabilitate and rebuild Cambodia in the period before the elections and even after the formation of the Cambodian Provisional National Government [PNGC].

The prince said that the PNGC would accept all proposals made by the Australian Government in the interests of the good relations of the two countries.

Son Sann Receives Indonesian Delegation 29 Aug

BK2908123193 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1100 GMT 29 Aug 93

[Text] This morning at 0830, Samdech Son Sann, chairman of Cambodia's Constituent Assembly, received an Indonesian parliament delegation.

Samdech Son Sann expressed profound thanks to the government as well as to the Indonesian people for their vigorous assistance to find and maintain peace in Cambodia. He also recalled past relations between the people of the two countries and expressed the hope that relations between the governments, people, and parliaments of the two countries will be further consolidated and expanded.

(Ani Mala), first secretary of the Indonesian parliament's Political and Foreign Affairs Commission, expressed admiration for the cooperation among all major Cambodian parties as well as within Cambodia's Constituent Assembly in technical and key activities to serve the forthcoming Cambodian National Assembly.

The visit by the Indonesian parliamentary delegation to Cambodia will last for four days, from 28 to 31 August, with the aim of surveying the needs of the Provisional National Government of Cambodia in national defense and also to intensify relations between the two countries' parliaments.

The delegation also plans to visit the base of UNTAC Indonesian personnel in Kompong Thom Province.

Indonesia

APEC Urged To Work With Regional Groupings

BK2908100193 Jakarta KOMPAS in Indonesian 10 Aug 93 p 4

[Editorial: "APEC Should Work Alongside the Regional Groupings"]

[Text] The Asia-Pacific Economic Cooperation (APEC) should not obliterate the identity or try to obstruct the role of the numerous regional groupings currently existing in the region. On the other hand, APEC should work alongside the regional cooperation forums which oversee several activities in the Asia-Pacific region. President Suharto made this remark when inaugurating the International Conference on Indonesia, Asia-Pacific and the New World Order in Bali.

There was a reason behind the call made by the head of state. The development of APEC, which came unexpectedly for ASEAN member countries (including Indonesia), was hasty and clearly indicated a move toward the integration of economic cooperation among the Asia- Pacific regional nations.

Australia had proposed the establishment of the APEC grouping and, following such a proposal, a meeting convened in Australia in 1989. Further meetings ensued after this in Singapore in 1990, Seoul in 1991 and Bangkok in 1992. Another meeting is scheduled to be held in Seattle later this year. An agreement was reached in Singapore with regard to the setting up of two working groups; the Seoul Declaration was issued in Seoul while a ministerial and senior officials level meeting was held in Bangkok.

ASEAN, as an original grouping, did not want to hastily participate in the development of APEC simply because it was concerned about its own development being "thwarted" as a result of APEC's development. (Singapore, one of ASEAN's members, was observed to be too enthusiastic over and very supportive of APEC's development) [sentence published in parentheses]. Apart from this, ASEAN's determination was to actively involve itself and work with greater initiative and assertiveness within APEC.

But during the process of APEC's development, ASEAN "lost" in facing, for example, Australia and South Korea, which assisted and hastened APEC's hurried development. The United States, who originally had shown the least interest in APEC's development, is currently advocating the initiative. This was clearly seen in its endeavor to host the upcoming fifth APEC grouping's heads of government or leaders conference in Seattle later this year. Therefore, ASEAN could be considered as being dragged by the hasty development of APEC.

What can we deduce from this? APEC's development could either become positive or otherwise. The negative aspect would be if its development was dominated by major countries such as Japan and the United States, which could make use of APEC for their global economic interests until such time as the developing nations, with their relatively weak economies, have no other alterntive but to toe the line and savor only a measly "portion" from APEC's economic achievements.

Viewing things from such an apprehensive background, ASEAN rejected the United States' proposal to merge its own trading scheme with that of the North American Free Trade Area (NAFTA) toward establishing an APEC central and other regional cooperation development (for example, ASEAN and its AFTA scheme) in becoming the country's own long arm.

Malaysian Prime Minister Mahathir Mohamed, who rejectd the invitation to attend the upcoming APEC meeting in Seattle, voiced concern over the suspicion that the United States would dominate APEC to the extent of disregarding the interests of the developing nations in the Asia-Pacific region. Besides, the United States had shown little or no interest at all in the Malaysian prime minister's desire to establish the East Asia Economic Caucus (EAEC).

This being so, it was not without reason when President Suharto stressed the importance of APEC having corresponding policies or principles, equality, mutual benefits as well as the achievement of a balanced socioeconomic development among countries in the Asia- Pacific region.

It was viewed as logical that the head of state remarked that cooperation among ASEAN countries and properly planned consultations with the other East Asian countries within the EAEC framework would further fortify APEC's stance.

Moreover, as viewed by ASEAN and Indonesia, including the developing nations, APEC could develop toward a more positive direction. As President Suharto had remarked, APEC should not transform itself into a closed economic bloc. Apart from this, APEC should pave the way toward the creation of a truly independent, open and fair international trading system.

In other words, APEC with its 16 members, should set an example of being an open and cooperative group which would benefit the other nations outside the Asia-Pacific region.

APEC could play a role in the creation of a free trading system and become a building block [preceding two words in English] toward the development of an open global trading system. It could also impose an influence on economic cooperation in other regions such as the European Economic Community, EEC. More importantly, it culd also impose a greater and positive influence in the areas of regional economic cooperation within its own region similar to that of ASEAN. Besides this, it could also exert its influence on each Asia-Pacific country in connection with their economic development and also extend such cooperation for the Sijori [Singapore-Johor- Riau] growth triangle.

Numerous issues could be taken up within the framework of APEC, for example, in the establishment of a trade and investment facilitation [preceeding four words in English] and in a code of investment [preceeding three words in English]—a procedure for the settlement of trade disputes, a code on anti-dumping [prceeding four words in English], exports, credits, countervailing duties [preceeding two words in English], and the purchase of government- owned agencies or properties. APEC could also extend its cooperation and assistance in solving issues pertaining to macro-economy, pollution, and so on.

Viewing positively, APEC could play a constructive role in the development of its members through, for example, competitiveness, the role of state-owned agencies, social monopoly, and conglomerates.

APEC's future development has yet to be seen even though its hurried existence is obvious. Could its form of cooperation, which is relatively "free" or "tight," be comparable to that of the EEC?

Indonesia will host and lead the APEC meeting next year. Our country should come out with "something" that could influence APEC's development. Indonesia's position could be seen through President Suharto's speech, in which he stated that "APEC should become a consultative and cooperation forum in the economic field."

Outflow of Capital Called 'Serious' Problem

BK2808094393 Jakarta MERDEKA in Indonesian 10 Aug 93 p 4

[Editorial: "Capital Flights Are Becoming More Difficult To Prevent"]

[Text] When the country is currently in dire need of investments to hasten its economic growth, it is distinctly seen that it is becoming more difficult to check the outflow of capital flights. The controversial incidents are of grave concern because if huge amounts in capital flights continue, then the country will definitely become "bankrupt" very soon.

Investment activities are becoming increasingly important each day because the economic sector has been experiencing a downswing and only through an inflow of fresh investments will the economic sector be able to rise again. Otherwise, the economic sector will be unable to make an upsurge.

Therefore, if capital flights are not expeditiously checked, economic sluggishness will affect a major portion of the economic sector, including that in the established economy. What is more dangerous is that domestic capital investments are currently thriving at a minimal rate and economic growth could be gauged at zero growth [preceeding two words in English], or the growth rate could even be evaulated at a minus level.

The most disheartening outflow of capital flights are to China. When our country is currently struggling hard, searching for capital, and even forced to seek loan facilities from donor countries, huge amounts of capital flights are transmitted abroad—particularly to the People's Republic of China.

As long as freedom of foreign exchange is allowed, the effort to check the outflow of capital flights will always prove to be futile. It is due to the policy of a monetary system where anyone can freely bring in or take out whatever amount in foreign exchange he desires.

Thus, as a result of such conditions, only a spirit of nationalism can possibly prevent the problem of capital flights out of the country. On the other hand, as long as there are conglomerates or wealthy industrialists who totally disregard the spirit of nationalism, then this will be the appropriate occasion for capital flights, which total into the trillions of rupiah, to be taken out.

The capital flights to the People's Republic of China which were previously not reported were said to have reached billions of rupiah. These have spiraled recently to two to three trillion rupiah. Besides, according to a report carried by the Hong Kong- published August 1993 Asia Inc magazine, the conglomerate Mochtar Riady has planned to invest about U.S.$10 billion, or about 20 trllion rupiah, in mainland China.

Meanwhile, Eka Chipta Wijaya, a conglomerate owned by Oei Hong Leong, is reportedly committed to withdrawing about U.S.$452 million, or about 900 billion rupiah, in his bid to take over 196 industries belonging to China's state-owned agencies. Also, there are major industrialists who also possess similar desires to establish industries in mainland China.

No prompt action was taken by our economic planners regarding the capital flights carried out by major industrialists. Such capital flights are considered a national problem needing serious and expeditious action.

The first alternative in the effort to check the outflow of capital flights should be to review the foreign exchange policy, which should question the need whether such a freedom of "rights" is justified during the current situation or, alternatively, it could remain as it is but the amount will have to be restricted. For this, the Monetary Board needs to hold immediate and indepth debates on the issue.

The second alternative should be to allow the foreign exchange policy to continue, but more regulations should be implemented—such as imposing sanctions against those who participate in huge ouflows of capital flights and by withdrawing all the facilities provided by the authorities.

Among other things, the prevailing sluggish economic situation is due to the long-drawn TMP [tight money policy] [preceeding three words in English] which caused the problem of stagnant credits. Clearing up such issues will definitely need support from all parties concerned, including those from the business circle in order to put the situation on the right track again.

Therefore, if there are more major industrialists or conglomerates who have devised plans to invest abroad, it will not in the least improve the economy, but will totally destroy it.

Our country has achieved progress. But it also needs the people to make greater efforts. Thus, in such a struggle, those who are involved in the huge outflows of capital flights could be considered as being antinationalists.

Importance of Exporters in Development Stressed

BK2808110793 Jakarta KOMPAS in Indonesian 2 Aug 93 p 4

[Editorial: "Our Future Depends on our Exporters' Ability"]

[Text] Problems which caused difficulties for exporters of products in the National Bonded Zones (KBN) have been expeditiously solved. Finance Minister Mar'ie Muhammad decided to review all procedures in the KBN's, and the KBN directors also promised to improve service in the zones.

This is very heartening. The government is fully aware of Indonesian exporters' woes regarding the excessive bureaucratic procedures in the country and the hindrances as a result of the high cost economy amid the economic globalization process. Indonesia must vigorously compete with other nations in marketing every commodity it produces, whether they are traditional or industrial commodities. Indonesia's pride as being the current top tropical timber exporter will definitely cease soon because the abundant forest resources will also diminish, and who knows, a substitute for such commodities could be made available through new technological methods. That is why the government is determined to take expeditious steps toward eliminating such problems.

It was only a few days ago that we isssued a reminder on Indonesia's comparative supremacy being threatened. In a more subtle term, Indonesia's comparative supremacy could be downgraded and be totally diminished and possibly overtaken by countries such as China, Vietnam, Sri Lanka, Bangladesh, or even the African states which also form another alternative.

Reasonably speaking, we could lose our supremacy one day because we are the only country holding such a previlege. We should effortlessly embark on competitive supremacy before comparative supremacy takes a tumble. We will emerge victorious in being competitive because we are exporters. On the other hand, we could face absolute defeat if we do not remain exporters. Such a consideration is rational.

We have repeatedly stressed through this column the importance of the industrial sector in connection with our future. As a major contributor to our economy, the industrial sector forms the spearhead and simultaneously plays an important role in determining our nation's future prosperity and well-being. In addition to this, the industrial sector's role is becoming increasingly important in ensuring the future well-being of the country and its people.

We take this opportunity again to stress the importance of exporters as being part and parcel of the business circle—irrespective of whether they are traders or producers. Petroleum exporters and their nongas counterparts are also unquestionably important.

Again, we need to stress these issues because of recent developments. We are currently entering a stage where business activities and the business circle are not considered as being prestigious anymore. While considering that the business circle has made great contributions toward development, people still have the impression that it has not brought much prosperity to the community. People still consider business activities as profit-making endeavors. Side effects or fresh problems which accompany the success of development also cause the emergence of conflicts.

Recent developments indicate that the business circle has not derived much benefit by being the hub of national and social development. On the other hand, developments have caused the emergence of fresh problems and also lessened the business circle's role in national development.

We admit that we have overlooked the diversifications made by the business circle. In fact, the diversifications have dominated public attention. Unconsciously, we formed an opinion that the business circle has been vicious in their undertakings.

But, fortunately, we have not brushed aside the business circle's basic problems and its important role in future developments because we still consider its role as having utmost importance toward the development of our country and its people amid the prevaling globalization process.

In this connection, we also frequently forget the exporters' important role in making contributions toward our national development. We previously showed a negative attitude toward the business circle, particularly because of the actions of conglomerates. In fact, a major portion of the exporters are not conglomerates; they have not even been in the forefront.

In predicting our country's future development during the globalization process, it is quite appropriate to say that the nation's future depends on, among other things, our exporters' ability and success.

Department Official on Oversupply of Flight Seats

BK2908151993 Jakarta MERDEKA in Indonesian 14 Aug 93 p 9

[Excerpt] Zainuddin Sikado, director general of Air Communications, said his authorities will review the domestic air flight services network because there is an oversupply [preceeding word in English] of seats in several routes which has caused a tariff war among the private air services companies.

He stated this after attending the signing of a cooperation document on Monday between the Communications Department and the University of Indonesia in Jakarta.

According to him, several national, private air services companies had added more aircraft to fill up the inflated and busy air routes. He said: "The ultimate result was a problem of oversupply."

He said for that reason the Communications Department will reduce Garuda Airlines domestic flights on routes to which other private air services companies have not yet added their flights.

According to him, the private air services companies need no longer submit their applications to the department because the Communications Department will undertake to chart the schedule and provide them with a prepared schedule. Sikando said: "Previously, the private air services companies were allowed to request flight routes. But now we make the decisions as to which air services company should take which flight routes."

In connection with this, private air services companies would be requested to reduce their domestic flights on routes which are already full. An unhealthy competition among the existing air services companies would result if the situation were not checked.

According to Sikado, the review of the flight routes had already been undertaken by the authorities last week and it was hoped that the prepared air routes schedule could be circulated soon to the air services companies nationwide. [passage omitted on aircraft repairs and maintenance]

Dry Season Effect on Central Java Reported

BK2808131393 Jakarta SUARA PEMBARUAN in Indonesian 7 Aug 93 p 4

[Excerpt] Semarang, 7 Aug—Drs. [Master of Arts] Sukardi, head of the Sub Logistic Depot in Semarang told PEMBARUAN on Friday [6 August] that although 17 districts in Central Java were hit by the dry season in May and June, paddy output from the province reached 250,000 tons, exceeding its first production target. He said to date, paddy production in the province has reached about 280,000 tons, exceeding the second production target of 275,000 tons.

Sukardi also said that the future production target would probably be increased to 300,000 tons because 491 Village Cooperative Units have signed an agreement with the Sub Logistic Depot to provide 15.5 billion rupiah credit for production of 324 tons of paddy.

The main paddy producing region in Central Java Province is Semarang, as well as other Districts of Grobongan, Demak, and Kendal. Their total paddy output was over 70,000 tons. Next is Banyumas District with 48,146 tons, Surakarta with 43,146 tons, Pati with 42,575 tons, Pekalongan with 41,079.04 tons, and Kedu with 32,749 tons.

Responding to newsmen, Sukardi said that the price of husked paddy in Central Java is between 450 rupiah and 575 rupiah per kilogram. He said harvesting paddy in the dry season is undertaken everywhere in Central Java, and will continue until October 1993. Thus, under such conditions it will be possible for the province to achieve its latest production target of 300,000 tons under the 1992/1993 planting season. [passage omitted]

Laos

Somsavat Lengsavat Receives Kuwaiti Envoy

BK2708155793 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 27 Aug 93

[Text] This morning in the capital, Vientiane, Somsavat Lengsavat, minister of foreign affairs of the Lao People's Democratic Republic [LPDR], received a courtesy call from Dr. Salim Jabar al-Ahmad al-Sabah, special representative of the deputy prime minister and minister of foreign affairs of Kuwait. Dr. Salim Jabar al-Ahmad al-Sabah is Kuwaiti ambassador to Malaysia.

The meeting and conversation between the guest and the host proceeded in a pleasant atmosphere. Both sides stressed their positive desires to further promote and expand the relations of friendship and cooperation between Laos and Kuwait in the future. In addition, the Kuwaiti special representative also explained about the present situation of the relations between Kuwait and Iraq, especially on the border issue between the two countries.

On this occasion, Somsavat Lengsavat also reaffirmed to his guest the consistant foreign policy goal of the Lao Government to have relations and cooperation with every country in the world, following the foreign affairs principles of peace, friendship, and cooperation on the basis of equality and mutual benefits. The Lao minister also expressed his sympathy with the Kuwaiti Government and people for the undesirable events that occurred in the past and his delight at seeing Kuwait having been improved and rehabilitated.

Dr. Salim Jabar al-Ahmad al-Sabah has been in Laos since 26 August and will stay in the LPDR until 28 August on a mission to explain current Kuwaiti-Iraqi relations.

Khamtai Siphandon Receives Cambodian Thanks

BK2808031093 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 28 Aug 93

[Text] His Excellency [H.E.] Khamtai Siphandon, prime minister of the Lao People's Democratic Republic [LPDR], recently received a telegram of thanks from Samdech Kromluong Norodom Ranariddh and H.E. Hun Sen, cochairmen of the Provisional National Government of Cambodia [PNGC]. The message reads:

We all are very pleased with our three-day official visit to the beautiful country of Your Excellency. We all are glad to see great and significant achievenments in the economic, social, and cultural fields which the fraternal Lao people have attained under the noble and competent leadership of H.E. the late President Nouhak Phoumsavan and the government of Your Excellency. Our delegation and we ourselves are extraordinarily impressed with the warmest brotherly welcomes given to us throughout the period of our visit both in beautiful Vientiane and Luang Prabang Province.

On behalf of the PNGC, the delegation, and in our own names, we would like to take this opportunity to once again extend our sincere and profound thanks to the LPDR Government and Your Excellency. Through Your Excellency, we wish to express our sincere appreciation and warm thanks to H.E. Somsavat Lengsavat, minister of foreign affairs; H.E. Boun-gnang Volachit, lord mayor of Vientiane Municipality; H.E. Chansi Phosikham, governor of Luang Prabang Province; and other cadres, especially those of the Protocal Department and the security units, who performed their duties with the utmost efforts, thus making our visit fruitful and satisfactory.

Meanwhile, H.E. Somsavat Lengsavat, minister of foreign affairs of the LPDR, has also received a telegram of thanks from H.E. Prince Norodom Sirivut, minister of foreign affairs and international cooperation of Cambodia.

Ministry Withdraws Trading Company's License

BK2708114993 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 27 Aug 93

[Text] On 8 August, the Ministry of Trade issued a release on the cancellation and withdrawal of a license for the export-import trading business of the (B.K.) Company, effective 19 August 1993, based on rule No. 306/MT.

Phaisi Phitsalat, chief of the Office of the Ministry of Trade, told a KHAOSAN PATHET LAO [KPL] correspondent that the company has failed to meet the Ministry of Trade's standards for operating a business as stated in regulation No. 112 and also failed to conform with the import taxation principle stipulated in regulation No. 147/ITL. Obviously it can be seen that the company has deliberately tried to evade taxes, failed to fulfil its duties of sales services, and has been unable to control its retailers. Thereby, the Trade Ministry rules that the company has not run its business in conformity with the rules and regulations laid out by the party and state.

In the process, the ministry has issued a release to ministries and equivalent organizations, provinces, and Vientiane Municipality, as well as traders in and outside the country which have a connection with the company regarding debts, funds, or any other obligations, so that they can clear matters up with the company in due course.

Philippines

Senator Charges CIA Role in 1983 Aquino Murder

HK3008112493 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 30 Aug 93

[Italicized passages in English]

[Text] Senator Arturo M. Tolentino has expressed his belief that the Central Intelligence Agency [CIA] was involved in the murder of Senator Benigno Ninoy S. Aquino Jr. on 21 August 1983. Tolentino has said that reports have indicated that Ninoy used a U.S. passport when he boarded a China Airlines plane in Taipei bound for Manila. He was allegedly assassinated by Rolando Galman when he arrived at the former Manila International Airport.

Tolentino has added that the question still remains as to who gave the U.S. passport to Aquino, thus enabling him to leave the United States and enter Taipei to await a final flight back to the Philippines. Tolentino has said that all indications lead him to conclude that the U.S. Government was involved in the Aquino murder. Tolentino has added the move may have been due to the fear that the U.S. military bases in the Philippines would be phased out during the Marcos regime.

[Begin Tolentino recording] *The American authorities knew it.* I cannot say whether the U.S. Embassy here knew. *But the American authorities must have known it.* That is how they knew the route Ninoy was using to travel to the Philippines. Because Ninoy could not come during that time without a passport, they gave him one. That is why they were the ones who found a way for Ninoy to come to the Philippines. The theory that the CIA was behind Ninoy's killings becomes stronger when you consider that the CIA feared Marcos might refuse to renew the bases treaty when it expired. [end recording]

In a related report, President Fidel V. Ramos has ordered the Department of Justice to review Ninoy's case and punish the mastermind if he is still on the loose. The president said that he is ready to reopen Ninoy's case if there is new evidence against the true mastermind and if it is shown that the past administration did not adequately give justice to the victim's family. Meanwhile, Senators Tolentino and Raul S. Roco have opposed Senator Blas F. Ople's proposal to reopen the investigation of the Aquino murder case, saying that the 13 accused individuals have already been sentenced.

WHO Finds 'Potential Risks' in Subic Pollution

HK3008044093 Manila MANILA BULLETIN in English 30 Aug 93 p 3

[Report by Carlito Pablo]

[Text] The World Health Organization [WHO] has found potential risks to health and the environment due to pollution caused by American military operations at the former Subic Naval Base. The findings were contained in a report prepared by WHO consultants Daniel Cramer and Richard Graham who conducted a fact-finding mission in Subic last April 17 to May 9 on a request by the Department of Environment and Natural Resources.

The consultants said "clearly" a number of areas or operations have "considerable pollution potential" like the ship repair facility which involved a range of heavy engineering operation and sandblasting. "Industrial wastewaters, untreated sewage and polluted storm water drains all discharged to Subic Bay, mostly without treatment," they said.

The WHO mission also noted that landfills in Subic were used for a variety of wastes, including hazardous waste materials. Other sites with potential threats to health and environment are those areas where chemicals like pesticides, fuel, herbicides, chlorinated solvents and explosives were used or stored, it said. The report called for the immediate conduct of a more detailed sampling and analysis program since the findings are initial in nature. It said a more thorough assessment in Subic which will cover near-surface and soils, groundwater, sediment in adjacent waterways and Subic Bay could cost $600,000.

"Overall, the site does not appear to have obvious widespread pollution problems which would undermine its future development and use. Past and present operations appear to have been generally conducted with reasonable standards of care," it said. The report stressed, however, environmental conditions in Subic must be fully ascertained "before site development proceeds and steps taken to ensure that investments are "contingent" on acceptable environmental quality standards.

The Philippine government wants to convert the former American military facility into a world-class free port. It is currently managed by former Olongapo City Mayor Richard Gordon, chairman of the Subic Bay Metropolitan Authority.

The United States government has stressed it has no liability in funding a cleanup of its former bases in the country since this is not stipulated in the bases agreement.

Prof Roland Simbulan, UP chairman of the Nuclear Free Philippines Coalition, said the WHO report confirms initial studies indicating ecological damage caused by the unhampered operations of American forces not only in Subic but also in Clark Air Base.

Thailand

Reportage on Chuan Likphai's Visit in PRC

Agreements Signed

BK2708150593 Bangkok Voice of Free Asia in Thai 1030 GMT 27 Aug 93

[Text] The Thai and Chinese Governments signed three documents on agreements during the current official visit to the PRC by Prime Minister Chuan Likphai and his delegation from 25 August to 3 Setember.

According to the report, Prime Minister Chuan was accorded a warm welcome by Chinese Premier Li Peng upon his arrival in Beijing. The Thai and Chinese prime ministers and their delegations held an official discussion. The two governments signed three documents on agreements. They are: the agreement on tourism cooperation signed by Sawit Phothiwihok, Prime Minister's Office minister, and Liu Yi, Chinese national tourism director; the agreement on the establishment of general consulates in Kunming and Songkhla Province; and the extradition treaty signed by Squadron Leader Prasong Sunsiri, foreign minister, and Qian Qichen, Chinese vice premier and foreign minister.

During the official discussion, the Thai prime minister proposed that there should be more investment by the Thai private sector in China. The Chinese prime minister responded to the proposal, stressing that China already has an open policy with regard to foreign businessmen, and has accorded legal privileges to them under the foreign investment protection policy. The Thai prime minister invited Chinese state enterprises to invest in Thailand. He also called on China to import other products than farm products from Thailand. He wanted China to increase imports from Thailand in order to reduce the trade deficit.

Qian Qichen, Chinese vice premier and foreign minister, praised the role played by ASEAN countries and stressed China's policy to contribute to regional stability in Southeast Asia.

Chuan Shortens Trip

BK2908022993 Bangkok BANGKOK POST in English 29 Aug 93 p 5

[Text] Prime Minister Chuan Likphai will cut short his visit to China by a few days because of his deep concern about situation in the far south.

Mr Chuan said yesterday he was "worried" about the situation in the southernmost provinces.

He said Defence Minister Gen Wichit Sukmak would accompany him on the return trip to Bangkok.

Deputy Prime Minister Amnuai Wirawan will take over as head of the Thai delegation and will continue the trip.

"The situation at home, about which I received reports two or three times a day, makes me worried," he said.

However, the Premier said that according to the latest report the situation was under control.

Mr Chuan said before leaving Beijing for Shanghai that he had yet to specify the return date, saying it would be "two or three days earlier" than the original schedule.

He said the decision on his premature return would be considered after he arrived in Kunming. He would skip the sightseeing and study tour.

The Premier is scheduled to arrive in Kunming on Wednesday afternoon.

Under the original schedule Mr Chuan was supposed to return to Thailand from Kunming on Friday.

The Premier claimed that despite shortening the visit, the trip was successful because three agreements had been signed between the Thai and Chinese governments and nine agreements signed by the private sector.

More than 100 businessmen are in the Thai delegation visiting China.

Mr Chuan, during dinner, told about 100 Thais living in Beijing that the situation in the South was under control.

A close aide to the Premier said that THAI Airways International had prepared a special, luxury jet—the Challenger—to take the Premier and the Defence Minister back to Thailand.

Foreign Minister Prasong Sunsiri said that the Premier had made the decision to shorten his trip before he left for Beijing.

Mr Chuan had already told his Chinese counterpart, Li Peng, Sqn Ldr Prasong said.

The Premier said he had received the military reshuffle list from the minister and would consider it before making an announcement.

He expressed confidence there would be no problem with the reshuffle.

Gen Wichit said the reshuffle list would be announced no later than mid-September and was based on ability, seniority and appropriateness.

On the fourth day of the visit, the Premier left the Chinese capital for Dalian to call on Chinese President Jiang Zemin before heading for Shanghai.

Member of Southern Terrorist Team Surrenders

BK2608130393 Bangkok Radio Thailand Network in Thai 1200 GMT 26 Aug 93

[Text] This morning, Nimit Phunprasoet, an officer of Muang District, Yala Province escorted Arong Kade, a member of the terrorist bandit group which calls itself Masungei Patu, to surrender to the Yala provincial governor.

[Begin unidentified Public Relations Department correspondent recording] Arong Kade is 26 years old and a resident of village group 1, Ban Mango Yura, Tambon Sa-e, Muang District, Yala Province. He joined the Masungei Patu group of the BRN [Barisan Revolusi Nasional] movement in June 1992. He participated in six clashes against government officials before the 17 August ambush of the army development unit in Muang District, Yala Province. He surrendered out of fear for his own safety and of the Fourth Army Region's all- out suppression campaign. He surrendered himself to the chief of Tambon Sa-e.

After the surrender, the Yala provincial governor presented Arong to Lieutenant General Kitti Ratanachaya, the 4th Army Region commander, for further interrogation. [end recording]

Army Chief Vows 'To Crush' 'Rebels' in South

BK3008024193 Bangkok THE NATION in English 30 Aug 93 p A1

[Text] ARMY Commander-in-Chief Wimon Wongwanit has vowed to crush the "small group of rebels" he holds responsible for the rising violence in the deep South and has asked the public and politicians not to overreact to the situation.

"This is not a very big deal," Gen Wimon told reporters on his return from the United States yesterday. "Please don't imagine that Thailand will be conquered by a small number of rebels.

"Just wait and see. We will show you how to get rid of those elements."

Gunmen attacked a provincial bus in Yala on Saturday [28 August], without causing injury, in the latest incident in a spate of violence in the region since 35 schools were torched in Yala, Pattani and Narathiwat on Aug 1 and 2.

"It's important that we must not be let down by the situation. Now, I think, we're beginning to know the terrorists' strategy and what they are thinking. I want to assure all Thai people that the army will do its utmost in coping with the problem," Wimon said.

However, the army chief, who is scheduled to visit the tense region soon, did not rule out the possibility of declaring a state of emergency in the four southernmost provinces.

"Everything will be done that is necessary, if it is warranted by the situation and will benefit national security," he said.

Most schools in the volatile region have been closed down. The army has stepped up frequent, armed patrols of sensitive areas where Muslim separatist guerrillas are known to have been active. Southbound trains are being guarded by soldiers armed with automatic rifles and heavy machine guns.

"We can't live with fear," Wimon said. "Fear leads to mistrust and deteriorating morale. We must work together (to get the guerrillas) instead of blowing things out of proportion and then blaming each other. This problem is not beyond Thais' capabilities.

"If we can't put away two or three villains, we won't be able to do anything else. I believe we Thai people won't allow that to happen."

Wimon played down but did not totally rule out a theory that the situation in the deep South was created by renegade army elements, possibly linked with the 1991 coup-makers who were toppled in last year's pro-democracy uprising.

The theory has been backed by many MPs in the ruling Democrat Party, with Deputy Poreign Minister Surin Phitsuwan further pointing out that it was "not a far-fetched possibility" that such seditious elements were cooperating with separatist guerrillas.

"All I can say is that (government) leaders must be firm and double-check and interpret all information and incidents. Everything is possible. But we must first get a thorough understanding of the situation or it will get out of hand," Wimon said.

Meanwhile, concern mounted in Surat Thani yesterday hat the wave of violence would spread north to the province, following an anonymous warning of possible arson at local schools and temples.

The warning came in a letter to Ari Mungmai, kamnan [village chief] of tambon [sub-district] Changsai in Kanchanadit district. It claimed opposition politicians were hiring syndicates to burn temples and schools in Kanchanadit and Ban Na San districts.

Police sources said the letter could simply have been meant to discredit the opposition. But many villagers voiced concern that, whoever was behind it, the warning indicated that Surat Thani could become another target of the terror campaign.

The two districts were once considered to be "red areas" where communist insurgents were active.

Ari infommed police of the letter and called an urgent meeting of his villagers. He said defence volunteers in his community agreed to step up patrols and to keep vigil at schools, temples and public health stations.

Army Blames PULO Faction for School Arson

BK3008025993 Bangkok BANGKOK POST in English 30 Aug 93 p 4

[Article by Soemsuk Kasitiphradit Entitled:"Strong Doubts Linger Over Arson Attacks on Schools"]

[Text] PATTANI—A month after 34 schools in the three-southernmost provinces were set ablaze, local people are still doubting the authorities' claim blaming separatists for the schools' torching. Latest developments in the area during the past weeks have helped convince them that the turmoil and tension in the area was created and manipulated by a group of people who wanted to destabilise the government.

"We are quite confident that PULO's [Pattani United Liberation Organization] terrorists are responsible for the schools' torching as we gain intelligence reports implicating them in the incident," said Lt-Gen Kitti Rattanachaya, the Fourth Army commander, adding that the same terrorist group was responsible for the shooting up of an express train in Narathiwat province last week.

The Fourth Army has not changed its view from its initial position since the schools were set ablaze early August by blaming a dissident faction in PULO led by Dr Arong Mureng as being responsible for the torching.

"They (terrorists) made it clear during their last meeting early July that they will step up military activities in the southernmost region and this is directly aimed to discredit PULO's leader Tunku Bilaw who has been successfully holding truce talks with the army's representatives," said the army intelligence officer who is closely monitoring the terrorists.

The intelligence officer claimed that recent violence in the area by PULO was aimed to derail the truce talks.

However, a leading Muslim in the province doubts the army's claim, saying that his men who had been sent to contact Dr Arong's men residing in Malaysia's Kalantan State had told him that "Dr Arong does not know anything about the incident."

Hayi Amin Tomina, an elder brother of interior deputy minister Den, also gave the same opinion when asked by the BANGKOK POST.

"I've talked with him (Dr Arong) and he denies the allegation. Why should they set schools ablaze while our children are studying in them. I'm confident that terrorists had nothing to do with the incident. This sabotage act is aimed to topple the government," said Hayi Amin who was alleged by local security of ficials to be a key separatist leader of BRN (congress).

Another leading academic from Prince of Songkhla University (Pattani Campus), Pan Yunlae, who is now the president of Southern Centre for Supporting and Developing Democracy, also shared the same suspicion with Hayi Amin by claiming that the attackers' nerve centre is in Bangkok".

"It will not end here. I'm certain the situation will widen to other parts of the country including Bangkok," said Mr Pan who is widely respected in the southernmost area.

However, Mr Pan said one should not confuse the shooting of soldiers at Yala with the schools' torching, saying the incidents are not related.

The situation in the area had not only confused local people but senior members in the government including Prime Minister Chuan Likphai and Interior Minister Gen Chawalit Yongchaiyut.

"We have a tendency to believe that the torching might be the act of a group of power-losers who want to explbit the incident for its own benefit," said a minister who ruled out the Fourth Army theory.

Interior Minister Gen Chawalit sent his own men who are senior army officers who once worked in the area to check for more information as the minister did not believe the police investigation which has totally blamed terrorists for the torching.

One of Gen Chawalit's aides said the interior minister was also convinced that terrorists were not involved in the torching.

"He (Gen Chawalit) has been told that a group of well-trained and highly professional outsiders are responsible for the incident and not the terrorists," Gen Chawalit's aide said. He claimed that a number of local authorities posted in the southernmost area who were known to be close to former key members of the now-defunct National Peace-keeping Council might have been involved in the torching.

A highly-placed source in Government House disclosed that Prime Minister Chuan has also been told of such a possibility. However, there is no firm evidence to back up the theory.

One informed security source in the area said evidence gained from the torched schools showed that the arsonists used the same materials for the torching including matches mosquito-repellant- coils, gas-bottles and gunny-sacks soaked with benzine.

"How could the terrorists use identical material in different locations?" questioned the security officer, adding that the gunny- sacks found after the school fires could not be bought locally.

"Is this not enough rationale to conclude that separatists had nothing to do with it?" asked the officer.

The grenade throwing at Wat Ratsamoson's chapel two weeks ago shocked not only Buddhists but key Muslim leaders who said that separatists had never used such tactics during their decades-long armed struggle, even during the early 80s when the terrorists were more militarily aggressive.

A few days later a mosque in provincial Yarang District was ransacked and the holy book the Koran had been thrown out from the mosque. A Muslim said the Koran was considered by Muslims to be the most sacred thing and that the purpose of the attackers was clear.

"Those who are responsible for the incidents want us Buddhists and Muslims here to fight against each other. But we will not fall into that trap," said Hayi Abdul Wahap who is the chairman of the provincial Islamic committee.

Local observers have linked the last two incidents with the schools' torching saying that the same group of people are responsible.

"At the beginning we doubted whether a group of power-losers could really create such a situation in the area but after carefully considering the latest developments during the past two weeks it makes us firmly believe that the tension here is manipulated and its target is quite clear," said a cabinet member.

Then comes the rumours spreading in the three provinces—Yala Pattani and Narathiwat—saying that bombs had been thrown into mosques or placed in hotels, that monks had been shot and teachers had been abducted.

"These rumours cause much confusion among local people and this helps worsen the situation," commented a senior provincial official.

Narathiwat MP Ariphen Untarasin admitted that he was very concerned that the situation would turn explosive, believing that the group of people who created the situation would do anything to achieve its target in causing chaos in the area.

The MP said he personally prohibited villagers of Narathiwat's Yi-Ngor district from staging a demonstration against the Government for its arrest of Kuheng Kortornilor who was accused of torching one of the schools in the district.

Mr Ariphen said he was afraid that ill-intentioned people would exploit the situation by throwing a bomb during the rally and this might make the situation even more unstable.

A Muslim who is a staff member of the Fourth Army said he was still confident that PULO's terrorists were responsible for the schools' torching. However, he noticed that "whether terrorists did it by themselves or some group of people are using them as a tool to do the job, creating confusion in the area, remains to be seen."

Asked on such a possibility, Lt Gen Kitti said he did not rule it out, adding that "terrorists might be used or manipulated by any group.

PULO 'Receives' Mideast Funds

BK2708011193 Bangkok THE NATION in English 27 Aug 93 p A3

[Text] The Pattani United Liberation Organization (Pulo) receives strong financial support from abroad and is ranked by the Thai military as the fifth most powerful international Muslim terrorist movement, according to a military source in the South.

The top four Muslim terrorist movements were not listed.

Pulo has been receiving annual financial support from Middle East countries, and recently received this year's amount of Bt [baht] 15 million, according to the source.

Other groups allied with Pulo and believed by the military to operate out of Malaysia, are: Pemas, Sabi Lillah Gerakan Isian Patani, Angkatan Pembebasan Islam Mela, Barisan Bersatu Mujahidin Patani and Langkasuka, according to the source.

Pulo was fommed on March 22, 1968 with Tuankhubiro Kortorbiro as its first chairman. The organization has drawn its members from both inside and outside Thailand.

Under Tuankhubiro's leadership, Pulo won support from the Palestine Liberation Organization in 1974, Syria in 1976, Libya in 1977 and many other Muslim countries, according to the source.

In 1976, Pulo members received espionage training in certain Middle East countries. Among those trained were

Hayidaoh Thanam, Yagob Sabuerang and Bahari Koknib,ong, all of whom are now key commanders in the Pulo force, according to the source.

On Dec 10, 1985, Tuankhubiro was ousted as a result of a power struggle in the organization and lost control to Dr Arong Muleng and Hayihadi Binrosari (also known as Hadi Munoh). The new power holders reformed the organization's 1968 Constitution as they established firm control of the movement.

The changes dissatisfied Sama-ae Thanam, a commander of Pulo's armed militiamen who found his power had been reduced. Sama-ae's group broke away from Pulo, promising to rejoin once the new group endorsed the original 1968 Constitution, according to the source.

Pulo's executive committee tried unsuccessfully to patch up misunderstandings between the two groups, and on June 1, 1988, Arong resigned his post for unknown reasons and appointed Yusoh Pakistan as his successor Yusoh surrendered to Thai authorities last year after the Fourth Arrny Region waged a campaign to encourage separatists to lay down their arms.

Since 1989, Pulo has clearly broken into two groups, according to the source.

The first is led by Arong and Hadi Munoh who formed a Pulo council which adopted a new Constitution in 1989. The group's military commander is Hayidaoh Thanam, the elder brother of Sama-ae Thanam. The movement's emblem is a crossed Icriss and sword in a circle with two Pulo flags. Below is written "PULO" in Roman letters and "unite" in Arabic.

The second group is led by Tuankhu biro Kortorbiro, with Sama-ae Thanarr as commander of the group's militiamen. In the centre of the emblem is ar eagle with a kris in its beak and chained feet. Underneath is "unite" written in Arabic.

State To Request Malaysian Help for Separatists

BK2908021493 Bangkok THE NATION in English 29 Aug 93 p A 1

[Text] Interior Minister Chawalit Yongchaiyut is expected to go to Kuala Lumpur to request cooperation for planned military action to dislodge Muslim separatist guerrillas from a string of jungle hideouts on the Malaysian side of the border.

Meanwhile, no one was injured yesterday when unidentified gunmen fired on a bus in Yala province.

Deputy Defence Minister Sombat Rotphothong said yesterday Thai troops would attack the guerrilla bases in Malaysia's Kelantan and Perak states as soon as an agreement is reached between the two governments.

Deputy Prime Minister Banyat Banthatthan said Chawalit told him he was scheduled to discuss the issue of military cooperation with Malaysian authorities in the next few days.

"I don't think this issue is taboo. We are not talking about who is supporting whom here," the deputy prime minister said.

"We only want to hear what Malaysian government officials have ta say on the matter. We only wish Malaysia would lend us a sympathetic ear."

He disagreed with Deputy Foreign Minister Surin Phitsuwan's comment that seeking Malaysian cooperation for an offensive against Muslim separatists would damage bilateral relations.

Banyat said he believed Kuala Lumpur would cooperate fully.

"It should not be forgotten that Thailand cooperated fully and sincerely in helping Malaysia end the guerrilla warfare waged by the Communist Party of Malaya, which had posed a serious threat to the country's security for decades," the deputy prime minister said. "I must stress that Thailand was sincere in helping Malaysia solve a major internal problem."

On Wednesday [25 August], Fourth Army Region Commander Kitti Rattanachaya said separatists were using two jungle camps across the border, in Malaysia's Perak and Kelantan states bordering Yala and Narathiwat.

Kitti said he would seek permission to inspect the sites and have them destroyed if it was confirmed they had been used by the guerrillas.

However Malaysia's Defence Minister, Najib Tun Razak, said on Thursday his government was not aware of any jungle hideouts being used by separatists.

He said Malaysian authorities had already checked the sites mentioned by Kitti and drawn a blank. If Thailand named any other sites they would also be checked.

Malaysia adhered to the principle of non-interference in Thailand's internal affairs, he said.

Kitti confirmed the Malaysians had reported the two camps were not being used, but said the Thai military still wanted to inspect the sites.

On Friday, the southern army commander said two groups of guerrillas being pursued by troops and border patrol police were approaching the Thai-Malaysian border and implied that an agreement between the two governments allowing "hot pursuit" across the frontier might be invoked.

Army sources said hundreds of troops were assembled near the border and a clash with the retreating guerrillas was expected soon.

Security forces hunting the fleeing guerrillas have a standing order to take no prisoners. The separatists have been laying landmines and leaving booby traps behind them to slow the pursuit.

Deputy southern army chief Sitthichai Prathuangthin said yesterday that the Fourth Army Region and Malaysia's northern regional army commander had agreed in principle to cooperate in the drive against the guerrillas.

In the latest flare-up in the South, a bus travelling from Yala to Hat Yai with 15 passengers on board was hit by gunmen yesterday evening in Yala's Yaha district. No one was hurt.

The attack took place around 6.30 pm as the bus was climbing a steep sloping section of road that cuts through rubber plantations, according to bus driver Boraheng Amair.

Boraheng said he heard the sound of at least four shots as bullets hit the windscreen and a few windows along the side of the vehicle. He accelerated away as soon as he heard the first shot ring out.

The passengers, including women and children, threw themselves to the floor to avoid the bullets.

Fifty border patrol police backed by two armoured vehicles were sent out to track down the ambushers.

Sources at the National Security Council yesterday gave further details of a meeting in Surat Thani last week where senior officials from the Interior Ministry, Fourth Army Region, Police Department and the governors of the southern Muslim provinces agreed that separatists were to blame for the string of terrorist attacks in the region during be past four weeks.

The sources said the participants of the meeting, chaired by Kitti, agreed

—Splinter groups of guerrillas from the Pattani United Liberation Organization (Pulo) were responsible for the torching of 34 schools in Yala, Pattani and Narathiwat and an attack on a train that left one dead in Narathiwat.

—New recruits were used for the school arson attacks, which were part of the separatist guerrillas' new tactics.

—Intelligence officers of the southern army and southern police force do not have informants within the breakaway guerrilla groups and cannot monitor their activities.

The meeting participants also resolved that either the government or the regional army should make public the official findings about the volatile situation in the South.

It was recommended at the meeting that the government redouble efforts to bring about better understanding between Muslim and Buddhist communities, which are divided by different cultural backgrounds and lifestyles.

Malaysia To Remove Barbed Wire From Border

BK2708011593 Bangkok THE NATION in English 27 Aug 93 p A3

[Text] Malaysia has reaffirmed its intention to remove a barbed wire barrier strung across an undemarcated border area in Songkhla province but has not said when it will come down, political sources said yesterday.

Senior Malaysian officials gave the assurance during the visit of Malaysian Prime Minister Mahathir Mohamad to Bangkok last week, the sources said.

Malaysian Foreign Minister Abdullah Ahmad Badawi first told Thai Foreign Minister Prasong Sunsiri that Malaysia would remove the barrier at a meeting of the Thai-Malaysia Joint Commission in Bangkok in July.

When the barrier was not dismantled, Thai officials raised the matter again during Mahathir's visit, the sources said.

Thai authorities have sealed a small hole in the fence that they said was used by smugglers.

Supreme Commander ACM [Air Chief Marshal] Woranart Apicharee approached Malaysia's armed forces chief Gen Abdul Rahman Abd Hamid about the wire during Mahathir's visit, the sources said.

The General Border Committee has assigned a joint working group to demarcate the disputed area.

Malaysian authorities set up the barbed wire barrier in the so- called "grey area" adjacent to Malaysia's Peris state early this year after Thai customs officers seized contraband from the zone and were accused of having encroached upon Malaysian territory.

Cambodian Shells Hit Territory; Army on Alert

BK2908145693 Bangkok Army Television Channel 5 in Thai 1200 GMT 29 Aug 93

[Text] Renewed fighting inside Cambodia resulted in mortar rounds landing in Thailand. Fortunately no one was hurt.

From 0530 to 1400 today, fighting raged inside Cambodia opposite Thailand's border villages of Ban Khok Sabaeng, Ban Laem Nong-ian, and Ban Sano Noi, in Aranyaprathet District, Prachin Buri Province. According to the report, troops of the Cambodian Government opened fire with heavy weapons on the stronghold of an unidentified party. The exchanges of fire with heavy weapons by both sides resulted in five 85-mm shells landing inside Thailand's villages—Ban Nong- ian, Ban Khok Sabaeng, and Ban Sano Noi. No material losses or human injuries were reported.

Major General Niphon Pharanyanit, commander of the Burapha Task Force, has ordered Thai units to be on alert and to return fire if the two warring parties continue to violate Thailand's sovereignty.

[Hong Kong AFP in English adds the following in an Aranyaprathet, Thailand, datelined item at 1307 GMT: "Thai gunners fired mortars at batteries inside Cambodia on Sunday after shells from the Cambodian side of the border landed inside Thailand, a Thai military official said at the frontier.

"The official did not say whether the Khmer Rouge or Cambodian Government forces were the target.

"He said the order to fire was given to Thai artillery at 2 p.m. (0700 GMT) after five shells exploded in the Thai border village of Son Noi, near this town about 200 kilometres (125 miles) east of Bangkok.

"One villager was hurt in Son Noi, the official said, adding that there were no further reports of firing from the Cambodian side of the border after the Thais had replied with 81-millimetre shells.

"This Thai region faces a part of Cambodia controlled by the Khmer Rouge where there are frequent conflicts between the guerrilla faction and the Cambodian Government.

"The Thai military official said shells from Cambodia had regularly fallen inside Thai territory since Wednesday.

"Thai army officers met several times with both Khmer Rouge and Cambodian government representatives but both denied responsibility, the official said."]

German President Departs for Australia

BK3008072693 Bangkok Army Television Channel 5 in Thai 1200 GMT 30 Aug 93

[Text] Richard von Weizsacker, president of the Federal Republic of Germany, has ended his unofficial visit to Thailand and left for Australia and New Zealand. The German president, his wife, and party arrived at the Air Force Command airport this morning to board a flight to Australia and New Zealand for an official visit. They were seen off at the airport by Air Chief Marshal Sitthi Sawetsila, privy councillor; and Sarot Chawanawirat, deputy permanent secretary of the Foreign Ministry.

During their visit to Thailand, the president of the Federal Republic of Germany and his wife visited major sites of Bangkok. The president also held talks with Acting Prime Minister Banyat Banthatthan on bilateral relations and relations between the European Community and the ASEAN bloc.

Vietnam

State, Party Leaders at Tran Huu Duc Funeral

BK2708094193 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 26 Aug 93

[Text] In the morning of 26 August at the Ba Dinh Hall, the Central Committee of the Communist Party of Vietnam, the National Assembly, the Government, and the Central Committee of the Vietnam Fatherland Front held a solemn commemoration and funeral service for late Comrade Tran Huu Duc.

Under the national and the party flags was a banner which read: Deep Grief for Comrade Tran Huu Duc. The remains of Comrade Tran Huu Duc were laid in a glass coffin on a pedestal covered by a red carpet. Comrades Do Muoi, Pham Van Dong, Vo Chi Cong, Le Duc Anh, Vo Van Kiet, Dao Duy Tung, Doan Khue, Vu Oanh, Le Phuoc Tho, Phan Van Khai, Pham The Duyet, Nguyen Duc Binh, Nguyen Ha Phan, Hong Ha, Nguyen Dinh Tu, Nguyen Khanh, Tran Duc Luong, the representative delegations of the National Assembly, the Central Committee of Vietnam Fatherland Front, the party committee and people's committee of Hanoi City, representatives from Quang Tri Province, a number of veteran revolutionary cadres, representatives of various organs, departments, mass organizations, news agencies and the press came and paid tribute to Comrade Tran Huu Duc.

Representative delegations from Lao and Russian Federation Embassies also laid floral tributes at the funeral.

In the afternoon, the burial service was celebrated solemnly in accordance with state protocol. The coffin of Comrade Tran Huu Duc was covered with the national flag. Attending the burial serivce were Comrades Do Muoi, Pham Van Dong, Vo Chi Cong, Le Duc Anh, Vo Van Kiet, Dao Duy Tung, Le Phuoc Tho, Hong Ha, Nguyen Khanh, Dang Quan Thuy, Le Quang Dao, and many other leaders from party, state, and government agencies, as well as as many veteran revolutionary comrades.

Comrade Phan Van Khai, member of the Party Central Committee Political Bureau and deputy prime minister, as Head of the Funeral Organizing Committee read the oration, which recalled the more then 60 years of revolutionary activities of Comrade Tran Huu Duc and praised his unyielding revolutionary spirit as an excellent leading cadre and a revolutionary combatant of the party and the fatherland. Comrade Phan Van Khai pointed out that Comrade Tran Huu Duc was a veteran revolutionary activist who belonged to the first group of cadres of the Vietnam Revolution, which was led by our party. The comrade had devoted all his life tirelessly to his activities for the causes of the party and the people. The comrade made praiseworthy contributions to the liberation of the people and the construction of the country. Even in the last years of his life, in spite of old age, the comrade still contributed enthusiastically to the revolution undertaking in the steady belief of the eventual victory of socialism. The comrade has gone, but the image of a model communist still lives forever.

Following the commemoration service, the coffin of Comrade Tran Huu Duc was carried onto the funeral vehicle and transported to Mai Dich Cemetery for burial.

National Assembly Passes 'Law on Land' 14 Jul

BK2508041193 Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 30, 31 Jul 93 p 2

[SRV Law on Land passed by the Ninth National Assembly's Third Session on 14 July]

[Text] THE LAW ON LAND

Land is a very valuable national asset and a particularly important, irreplaceable means of production. It also constitutes an element of primary importance of the life environment and a channel for implementing population distribution programs and for building facilities in support of socioeconomic and cultural development and of national defense and security protection.

Many generations of our people devoted much strength and made countless sacrifices in blood and bones before they could earn and successfully preserve this land we presently inherit.

Pursuant to Articles 17, 18, and 84 of the 1992 Constitution of the Socialist Republic of Vietnam [SRV], this law defines land management and utilization prodecures as well as land users' rights and obligations.

CHAPTER I

GENERAL PROVISIONS

Article 1: Land belongs to the entire people and is subjected to uniform state management. The state allots land to economic organizations, units of the Vietnam People's Army, state agencies, politicosocial organizations (which are hereafter called organizations), households, and individuals to till on a long-term basis. The state also leases land to organizations, households, and individuals. Organizations, households, and individuals allotted or leased land are hereafter called land users.

The state also leases land to foreign organizations and individuals.

Article 2:

1. Once they have tilled land on a stable basis and that fact has been recognized by the local people's committees, land users will obtain land utilization certificates issued by an authorized state agency.

2. The state shall not approve requests for ownership of those pieces of land already alloted in the framework of implementing the various land policies of the Democratic Republic of Vietnam [DRV], the Provisional Revolutionary Government of the Republic of South Vietnam [PRGRSVN], and the SRV state.

3. The state shall ensure land for the peasants and those engaged in aquaculture and forestry to promote their production.

Article 3:

1. The state shall protect the rights and legitimate interests of land users.

2. Households and individuals alloted land are allowed to transfer the right to use the land, give this right to their heirs, or to lease and pledge this right.

The abovementioned rights can be used only within the time frame granted to each piece of land alloted and in accordance with the objectives of land use as described by this law and other regulations.

3. The rights and obligations of organizations entitled to receive land allocation or leases will be defined by the National Assembly Standing Committee at the recommendation of the government.

Article 4: Land users are dutybound to rationally protect, reform, improve, and effectively use their land. They must complete procedures related to land use, pay taxes levied on the right to use land and other incomes derived from the land as prescribed by the law.

Article 5: The state encourages land users to invest manpower, materials, and capital as well as apply scientific-technological innovations to:

—Increasing the value of land use
—Promoting multicropping and increasing the efficiency of land use.
—Reclaiming wasteland, building sea dikes, replanting denuded land and bare hills with greenery, exploiting sandy soil along coastal areas to increase the hectarage under agriculture, forestry, aquaculture, and salt production.
—Preserving and increasing the fertility of land; and
—Using land in an economical fashion.

Article 6: All acts of illegal land occupation and illegal transfer of rights on land use, using land at variance with the law, and destroying land are strictly prohibited.

Article 7: The National Assembly shall exercise its supreme power to determine and control the management and use of land throughout the country.

Echelons of the People's Council shall exercise their power in determining and controlling the management and use of land in their localities.

Article 8. The government is to exert uniform state management over land countrywide.

People's committees at all levels are to exert state management over land in localities under their jurisdiction as defined by the authority given to them under this law.

Chiefs of land management agencies at the central level are accountable to the government and chiefs of land management agencies at the local level are accountable to people's committees at the same levels.

Article 9: Ministers, heads of ministerial-level agencies, and directors of government agencies shall, within their rights and responsibilities, organize and oversee proper use of land allocated to offices under the management of their ministries or agencies.

Article 10: The Vietnam Fatherland Front and other member organizations of the front along with other social organizations, economic organizations, People's Armed Forces units, and citizens are dutybound to help state offices enforce various measures aimed at protecting and utilizing land rationally and economically in accordance with plans and the law.

State organs, within their duties and powers, are responsible for considering and resolving petitions from economic and social organizations, from People's Armed Forces units, and citizens in the enforcement of measures aimed at protecting and utilizing land.

Article 11: Based on main utility purposes, land shall be devided into the following categories:

1. Agricultural land.
2. Forestry land.
3. Populated rural land.
4. Urban land.
5. Land for specialized use.
6. Unused land.

Article 12: The State shall determine monetary value of different land categories to calculate tax on tranferring right of land use, collect land allocation or letting fees, determine property value of allocated land, and compensate losses in case of land revocation. The Government shall determine land price scale for each specific category at a specific point of time.

CHAPTER II

LAND MANAGEMENT SYSTEM

Article 13: The purposes of the State's land management consist of:

1. Investigating, surveysing, measuring, and appraising land and drawing up land registry maps.

2. Planning land use.

3. Promulgating legal stipulations and regulations for land use and directing the implementation of these regulations.

4. Allocating, letting, and retrieving land.

5. Registering land, establishing and administering land registry books, administering land use contracts, preparing land statistics, carrying out inspection and issuing land title deeds.

6. Inspecting the implemention of regulations on land management and land use.

7. Solving land disputes and complaints and denunciations concerning land management and land use.

Article 14:

1. The government shall direct the provincial and city People's Committees under the central authority to conduct land investigation, land surveys, land measurements, and land appraisals.

2. The People's Committees shall direct their subordinate land management organs and People's Committees at lower levels to closely monitor and administer changes in space, soil categories, and land users and shall promptly rectify land-related documents to suit the present state of land use in their localities concerned.

Article 15:

1. The government shall direct and organize the preparation of land registry maps on a national scale.

The central land management organ shall determine the process and techniques of drawing land registry maps.

2. The provincial and city People's Committees under the central authority shall direct and organize the drawing up of land registry maps in their respective localities.

3. Land registry maps shall be drawn at the village, ward, or village town administrative unit levels.

4. Original registry maps shall be stored at the central land management office. Copies of the maps shall be kept at land management offices of central-controlled cities and provinces, of districts, precincts, and provincial towns, and of People's Committees of villages, wards, and village towns. Copies are as valid as the original.

Article 16:

1. The government shall map out programs and plans for land use nationwide.

2. The People's Committees at all levels shall draw up land-use programs and plans within their localities and shall present them to relevant People's Councils for endorsement prior to submitting them to authoritative organs for consideration and approval.

3. The ministries, the ministerial-level agencies, and the agencies under the management authority of the government, depending on their duties, shall map out land-use programs and plans for areas under their responsibility and then present them to authoritative organs for consideration and approval.

4. Land-management organs at the central and local levels shall cooperate with relevant sectors in helping the government and the People's Committees at various levels draw up programs and plans for land use.

Article 17:

1. Land Planning:

A. Efforts must be made to zone off agricultural, forestry, residential, specified-purpose, and unused land in areas of each locality throughout the nation.

B. Adjustments in zoning off these land areas should be made at intervals to suit each stage of the socioeconomic development program in each locality throughout the country.

2. Land-Use Plan:

A. Efforts must be made to zone off land use in different periods and planning stages.

B. Adjustments to land-use plans should be made at intervals to suit planning.

Article 18: Power in approving land-use plans.

1. The National Assembly shall decide on land-use plans on a nationwide scale at the recommendation of the government.

2. The government shall examine and approve land-use plans submitted by ministries, provinces, and municipalities directly subordinate to the central government.

3. People's Committees of higher echelons shall examine and approve land-use plans submitted by people's committees of the lower echelons.

4. Authorized state agencies are entitled to grant permission for the supplementing or amendment of the land-use plans they have examined and approved.

Article 19: Land allotment will be granted based on the following criteria:

1. Land-use plans must be examined and approved by authorized state agencies.

2. Land use must conform with the requirements stipulated in the economic-technological dialectics or in projects and applications for land allotment which have been approved by authorized state agencies.

Article 20: The state allots land to organizations, family units, and individuals for long-term use. The period for long-term use of land for annual crop cultivation or for aquaculture is 20 years, and for long-term plants is 50 years. At the end of the term, if the land user still needs to use the land and during the term had abided by land laws and regulations, land allotment shall be extended for further use.

Lands alloted by the state to families and individuals for long-term residential use can only be revoked in cases specified in Article 26 and Article 27 of this Law.

Periods for long-term use of other land categories shall be determined by the Government.

Article 21: Decision to reallot land already occupied by one user to another can be made only after the land in question been revoked.

Article 22: The organizations, family households, and individuals who are allotted land by the state for use in agro-forestry-fishery-aquaculture and salt production are exempted from paying fees on land use. Those who are provided with land for other purposes must pay fees on land use unless they are elegible for exemption or reduction as determined by the government.

Article 23: The power to allot land for use as nonagricultural and nonforestry production is defined as follows:

1. The National Assembly Standing Committee shall approve the government's annual plan for the allotment of agricultural and forestry land to be used for other purposes.

2. The government shall examine the annual plans of the people's committees of provinces and cities under the direct management of the central government for the allotment of agricultural and forestry land to be used for other purposes.

Based on the planning which was approved by the National Assembly and the annual plan on the allotment of agricultural and forestry land to be used for other purposes which was approved by the National Assembly Standing Committee, the government shall decide on the allocation of land for all purposes according to the necessary circumstances.

3. The people's committees of provinces and cities under the direct management of the central government decides on the allotment of land for use in nonagricultural and nonforestry production as follows:

A. No more than one hectare for agricultural, forest, rural residential, and urban land and no more than two hectares of fallow land and bare hills for each project not in the categories of item 3 (B) of this article.

B. No more than three hectares of agricultural, forest, and rural residential land and no more than five hectares of fallow land and bare hills for each road and railway building project; each project for laying water, oil, and natural gas pipes; and each project for installing electricity lines and building dams and dikes; and no more than 10 hectares of fallow land and bare hills to each water reservation project.

C. To allot agricultural or forest land for households and individuals to build their houses. To allot land for specific purposes or for building houses. And to allot urban land within the limit set by the government.

D. To allot residential land in the rural areas so that the people's committees of districts, towns, and cities under the direct management of the province can allocate it for households and individuals to build their houses.

Article 24: The power to allot land to be used for the purpose of agricultural and forestry production is defined as follows:

1. The people's committees of provinces and cities under the direct management of the central government have the power to allot land to organizations.

2. The people's committees of a district, town, or city subordinate to the provincial governments have the power to allot land to households and individuals.

Article 25: State organs vested with the power to allot land stipulated by Articles 23 and 24 of this law are not allowed to delegate their power to lower echelons.

Article 26: The state shall recover all or part of the land already allotted in the following circumstances:

1. The organizations using the land are dissolved, go bankrupt, move to other places, or need less land but do not fall under those categories specified under Article 30 of this law. The land users pass away but do not have successors to inherit the right to use the land.

2. Land users voluntarily return the land previously allotted to them.

3. There is no use of the land for 12 consecutive months without approval from authorized state organs.

4. Land users deliberately attempt to avoid fulfilling their obligations toward the state.

5. Land is not used for the set purpose.

6. Land is not allotted in conformity with Articles 23 and 24 of this law.

Article 27. In extreme circumstances, the government shall recover the land from its user to be used for the purpose of national defense, security, national interests, and public interests. In this case, the land users will be compensated for their loss.

Article 28. State organs vested with the power to allot certain plots of land shall be authorized to recover those same plots of land.

The recovery of land for other purposes must comply with planning requirements and other plans already approved by authorized state organs.

Land users should be notified beforehand of the reasons and the timing of land recovery as well as of relocation and compensation plans.

In case of emergencies arising from wartime situations or natural disasters, land requisition shall be decided by the people's committees of districts, precincts, towns, or cities subordinate to the province or by the people's committees of a higher level. When there is no more need for the requisition, the land shall be returned to its user and compensation will be paid according to the law.

Article 29. The government and people's committees at all levels can rent out land to organizations, households, and individuals according to their demand for production and business according to stipulations set by this law and other legal documents.

Article 30. Transferring the right to use land is prohibited under the following circumstances:

1. Land without legal real estate licenses.

2. Land which was allotted to organizations and defined in the law that its right for use is not transferable.

3. Land in dispute.

Article 31:

1. Proceedings for the exchange of the right of land use in the countryside shall be conducted at the village People's Committees, and in urban areas at the People's Committees of districts, precincts, district towns, or provincial towns.

2. Proceeding for transfering the right of land use in the countryside shall be conducted at the district People's Committees, and in urban areas at the People's Committees of provinces or cities under the direct management of the central government.

Article 32: The central land management organ; the land management organs of provinces, central-managed cities, districts, precincts, district towns, and provincial towns; and land management cadres in villages, wards, and village towns shall, according to their authority and responsibility determined by this Law, defer to the Government or respective People's Committee for decisions relating to allotment, rental, and revocation of land.

Article 33:

1. When their requests for changes in land use have been approved by authorized state agencies or when the land is used before registration has been completed, land users must complete registration at State agencies specified by Point 2 of this Article. Registration must be made at the village, ward, or village town where the land is located.

2. People's Committees of villages, wards, and village towns shall prepare and update land registry books, register unused land, and keep a record of changes in land use.

Article 34: Land registry books shall be uniformly prepared countrywide in forms provided by the central land management organ. The contents of land registration books must be consistent with land maps and current land use status.

Article 35: Land statistics shall be compiled according to the following regulations:

1. Responsibility for land statistics in a locality rests with the administration level that draws land maps of that locality as specified by Point 2 of Article 31 of this Law.

2. Land statistics shall be compiled once a year.

3. Land inventorial inspection shall be made once every five years.

4. People's Committees at all levels are dutybound to compile land statistics and carry out inventorial inspection in localities under their jurisdiction.

5. Land management organs are dutybound to report on periodic land statistics and inventorial inspections to their direct, upper land management organ.

Article 36: Land user's certificates shall be issued according to the following regulations:

1. Land user's certificates shall be published by the central land management organ.

2. Echelons authorized to allot land shall also have the power to issue land user's certificates. Certificates for land alloted by the government shall be issued by the People's Committees of provinces or cities directly under the management of the central government where the land is located.

3. In cases where different organizations or different individuals who are not in the same family share the use of a piece of land, certificates of land use shall be issued to each organization, family, or individual.

Article 37:

1. The government handles land inspection throughout the country. Echelons of people's committees handle land inspection in their localities.

The central land management organ helps the Government; local land management organs help respective People's Committees carry out land inspection work.

2. Land inspection work consists of the following tasks:

A. To inspect State management on land conducted by echelons of People's Committees.

B. To inspect the observation of land law and regulations by land users.

C. To resolve complaints and denunciations of breaches of land law and regulations.

3. While conducting inspection work, the inspection team and the inspector have the following rights:

A. To request the organizations, families, or individuals concerned to provide documents and information deemed necessary for the inspection.

B. To order a temporary suspension of the use of any plots of land, the use of which violates the Law; to be responsible before the law for the order; and to report to the appropriate state authority for further action.

C. To handle matters within the limits of an assigned authorization, or report to appropriate authorized State organs for further action on breaches of land management and land use.

Article 38:

1. The state encourages settlement of land conflicts among the people.

Peoples Committees of villages, wards, and towns are dutybound to coordinate with the Vietnam Fatherland Front [VFF], the Vietnam Peasants Association, member organizations of the VFF, mass organizations and economic organizations at the grass-roots level, and citizens in settling land conflicts.

2. The People's Committees shall settle conflicts on the rights to the use of land for which the land users cannot produce their legal documents. The following regulations will be applied to this category:

A. People's Committees of districts, wards, and cities of provinces shall settle conflicts between individuals, between individuals and organizations, and between organizations if these organizations are under their jurisdiction.

B. People's committees of provinces and municipalities directly subordinate to the central government shall settle conflicts between organizations, between organizations and households, and between individuals and organizations if these organizations are under their jurisdiction or under the state jurisdiction.

C. Those who are not satisfied with the settlement made by the people's committees can present their cases to the higher echelon of authorized state agency. Decisions made by the higher echelon of the next level are valid and applicable.

3. The court shall settle conflicts on the rights to use land for which the land users can produce their legal documents, conflicts on land assessment, and conflicts on land utilization.

Article 39. Conflicts on the rights to use land in areas within the administrative boundary of units shall be settled by people's committees of those units. When consensus is not achieved, or the settlement made by units concerned affects the division of an administrative boundary, the cases should be deferred to:

1. The government in order to settle conflicts involving an administrative boundary of units lower than the provincial level, and

2. The National Assembly in order to settle conflicts involving an administrative boundary of units at provincial level or municipalities directly subordinate to the central government.

Article 40: Land management agencies at the central level and those in localities are dutybound to respectively help the government and echelons of people's committees to settle land conflicts.

Article 41: Land management agencies shall be established at the central level, in provinces and municipalities directly subordinate to the central government, districts, precincts, cities, villages, wards, subwards, and towns. Land cadres will be appointed to work at these agencies.

Land management agencies are attached to the administrative agencies of the same level. Land cadres of villages, wards, and towns are affiliated to people's committees of villages, wards, and towns of the same level.

Chapter III

The System Governing the Use of Various Kinds of Land

Section 1: Agricultural and Forest Land

Article 42: Agricultural land is land used mainly for cultivation, animal husbandry, aquaculture as well as for agricultural experiment and research.

Article 43: Forest land is land used mainly for forestry production including areas of natural forests, planted forests, zoning and preserving forests, and areas for forestry research and experiments.

Article 44: The area of agricultural land alloted to each household for long-term use will not be more than three hectares and must be defined by the government in accordance with conditions in each locality.

The government shall define a land managment system governing the allocation of more than three hectares of land to households.

Areas of fallow land, bare hills, and land reclaimed from coastal zones to be alloted to households, on a long-term basis, for exploitation and use in agricultural, forestry, and fishery production will be defined by the government.

Article 45. People's Councils of provinces and municipalities directly subordinate to the central government shall—on the basis of establishing a land fund in localities to serve local requirements and conditions—determine a reserved land area for this purpose in each village. This land area should not exceed five percent of the agricultural land in the village concerned and must be used for public projects. The government shall define the rights for use of the land area in this category.

Article 46: Use of land for gardening is defined as follows:

1. The state shall formulate policies to encourage and protect the interests of all organizations and individuals engaging in intensive cultivation, exploiting land for gardening, and using fallow land and bare hills for cultivation in accordance with planning.

2. Using rice planting areas for gardening should be carried out in conformity with planning and approval must be sought from People's Councils of districts, wards, and cities.

Article 47: Use of local water surfaces for aquaculture and for other purposes is defined as follows:

1. Ponds, lakes, and pools which cannot be alloted to a single household should be alloted to various households and economic units for aquaculture.

2. People's committees at the district level shall determine the rights to use lakes and ponds overlapping areas of many villages; people's committees at the provincial level shall determine the rights to use lakes and ponds overlapping areas of many districts. The government shall define the rights to use water reservoirs overlapping areas of several provinces for the production and development of aquaculture.

3. Use of water surfaces in lakes, ponds, rivers, streams, and canals must be conducted in conformity with regulations on environmental protection and must not obstruct communications and transportation.

4. Granting permission to use inland water bodies for the aforementioned purposes must be conducted in conformity with the technical regulations set by the agencies concerned.

Article 48: Use of land in coastal areas to produce maritime and forestry products must comply with the following regulations:

1. The areas are alloted in accordance with planning which has been approved by the authorized state agencies.

2. Use of these land areas does not affect the building up of alluvial soil in the coastal areas.

3. Use of these land areas does not affect the ecology and environment.

4. Use of these land areas does not cause an obstacle to the protection of national security and sea transportation.

Article 49: River shore land belonging to villages must be managed by the People's Committees of those localities. These village People's Committees must report their land areas to the district people's committees for formulating plans to use them. If there are conflicts in the use of this land, village People's Committees must report the issue to the authorized state agencies for settlement in accordance with Articles 38 and 39 of this law.

Article 50: New alluvial land in the coastal areas shall be uniformly managed and controlled by the state.

Article 51: People's committees of provinces and municipalities directly subordinate to the central government shall, on the basis of the state policy on religious groups and the availability of land in localities, determine the allotment of land area for Buddhist pagodas, churches, and other religious establishments.

Section 2: Residential Land in Rural Areas

Article 52: Residential land in rural areas shall be used chiefly to build houses or facilities in support of rural activities.

Residential land for households in these areas is composed of land for building houses or facilities in support of those households' daily activities.

Article 53: The use of residential land in rural areas must meet planning requirements and be convenient for production, the people's daily lives, as well as for maintaining of social order. The state encourages people in the rural areas to build their houses in the existing residential land while limiting the expansion of residential areas into agricultural land.

Article 54: Based on the availability of land in each locality, provincial or city people's committees directly subordinate to the central government shall determine the hectarage to be allotted to households to build houses in accordance with the government regulations but not more than 400 square meters. For big households who inherit the tradition of living together under the same roof and those who have special conditions, more hectarage can be allotted to them but it should not be more than double the normal hectarage provided by that locality.

Section 3: Urban Land

Article 55: Urban land consists of those plots of land within city, district capital, or town limits. It is divided into land used to build houses, seats of administrative organs, organizations, production and business establishments, infrastructure, and other projects to serve the public interest or national defense and national security purposes and so forth.

Article 56: Infrastructure must be built before urban land can be utilized.

Urban land management and utilization must meet city planning requirements, approved land use projects, and other related state regulations. The government, by virtue of Articles 8, 23, 24 and 25 of this law, shall determine the allotment of urban land to organizations, households, and individuals.

Article 57: The state formulates a plan to use land for building houses in urban areas and encourages people living in these areas to build their houses. In those localities which formulate plans to allot land to the people to build houses, provincial or city people's committees directly subordinate to the central government shall decide on the hectarage to be alloted to each household in accordance with the government regulations.

Article 58: The management of land used to build such public utility projects as roads, bridges, sidewalks, water supply or water drainage systems, rivers, lakes, ponds, dams, dikes, schools, hospitals, markets, public parks, squares, stadiums, airports, ports, and other facilities shall fall under the responsibility of authorized government agencies.

The building of the abovementioned projects on public land must meet set goals and must be approved by authoritative agencies.

Article 59: The allotment of land to organizations or individuals to build establishments to serve the economy, cultural and social activities, scientific-technological research, foreign affairs, and national defense and security, as well as to build offices of organizations and agencies must be consistent with approved city planning projects.

Article 60. The use of urban land for the national defense and national security purpose must be submitted by the Ministry of National Defense or Ministry of Interior to the Government for approval.

Article 61. 1. The use of urban land for agriculture or forestry must comply with regulations on environmental protection, landscape preservation, and city planning.

2. The zoning of land for national parks, landscape conservation sites, and scenic attractions are based on urban development requirements and subjected to government regulations.

3. The use of urban development land outside city or district capital limits must be in conformity with the approved plan.

Section 4: Special Purpose Land

Article 62. Special purpose land is the land defined for use for purposes other than agricultural and forestry production and home construction. It includes land used for the construction of industrial, scientific, and technical projects; communications, water conservation, and dike systems; and cultural, social, medical, sports, physical education, and service establishments. It consists of land used for national defense and security purpose, for exploration and exploitation of mineral ores, stones, and sand. It includes land used to produce salt, ceramics, bricks, tiles, and other building materials. It consists of land with historic and cultural relics and scenic attractions, land used as cemeteries, and land with surface water used for purposes other than agriculture.

Article 63. The use of land for building industrial, scientific, technical, cultural, education, medical, sports, physical education, social, and service projects must comply with the requirements on land use outlined in the economic, technical planning of each project and with other stipulations of the law.

Article 64. The use of land for building transportation, water conservation, dikes, and hydroelectric power projects and systems for the transmission of water, electricity, oil, and natural gas must comply with the following stipulations:

1. Correctly following construction designs, economizing on the use of land, and refraining from causing any damage to the use of land in surrounding areas.

2. Correctly complying with stipulations on the use of land within the safe corridors under the systems of these projects.

3. Land can also be further used for aquacultural activities or other purposes, but this must not hinder efforts to achieve the main purpose of this special-purpose land.

4. Local villages, subwards, and town People's Committees are jointly responsible with the organ in charge of the project in protecting land within the safe corridors in accordance with the project's technical requirements stipulated in this article.

Article 65. 1. Land used for the national defense and security purpose consists of:

a. Land used for troop deployment.

b. Land used as Air Force, naval, and other military bases.

c. Land used for national defense, combat terrain-related, and other special projects.

d. Land used as military air terminals or seaports.

e. Land used as industrial, scientific, and technical projects for national defense purposes and land jointly used for national defense and economic construction purposes.

f. Land used as storage facilities for the Armed Forces.

g. Land used as weapons training, drilling, and weapons testing grounds.

h. Land used to build schools, hospitals, and convalescence centers of the Armed Forces.

i. Land used to build other national defense and security projects decided by the government.

2. The management and use of land for the purpose of national defense and security shall be stipulated by the government. The People's Committees of provinces and cities under the direct management of the central government implement the state management over the use of land for national defense and security purposes in their localities.

3. The government shall have policies to ensure that officers, soldiers, and military workers have land to build their houses according to Article 54 and 57 of this law.

4. The transfer of land used for the national defense, security purposes, and other purposes shall be decided by the Government.

Article 66. The use of land for the purpose of prospecting and exploiting mineral ores, stones, and sand must comply with the following stipulations:

1. Obtaining a permit from an authorized state organ.

2. Applying measures to protect the environment and ensure waste treatment as well as other measures to avoid causing damage to land users in the area and its surroundings.

3. After use, the land must be returned to the condition which was set forth in the decision to grant the land.

Article 67. The use of land to produce ceramics, bricks, and other building materials must comply with the following stipulations:

1. Obtaining a permit from an authorized state organ.

2. Applying the necessary measures to avoid causing damage to production, life, and the environment.

3. After use, the land must be improved so it can be used for suitable purposes.

Article 68. The potentially productive salt marshes of high quality shall be protected and be used primarily for salt production. The state will encourage the use of those areas in order to meet demand.

Article 69: Land with classified historical and cultural relics and scenic attractions must be strictly protected according to the law.

In special cases, when there is a need to use land with historical and cultural relics and scenic attractions for other purposes, permission from authorized state organs must be secured beforehand.

Article 70. Cemetery land shall be planned in concentrated areas far from population centers and suitable for burial services and visits, and shall conform to sanitation and economical land use measures.

Article 71. Based on main utility purposes, the state shall allot water surfaces to organizations, households, and individuals to put them to work to meet specific goals.

The system governing the management and use of water surfaces shall be defined by the government.

Section 5: Land Still Unused

Article 72. Land still unused consists of those plots of land which still do not meet set criteria for agricultural, aquacultural, or forestry development projects; which are still not zoned off for rural or city housing development programs; or which are still not allotted for use on a long-term basis by organizations, households, or individuals.

The government shall formulate plans and projects, as well as adopt incentives to encourage organizations, households, and individuals to improve the fertility of land to serve agriculture, forestry, and other development purposes.

Chapter IV

Land Users' Rights and Duties

Article 73: Land users are entitled to the following rights:

1. Obtaining land user's certificates.

2. Enjoying the fruits of their labor and the results of investment made in the land allotted to them.

3. Transferring the right to use land to their successors as stipulated by law.

4. Enjoying the benefits brought about by land protection or land improvement-related public projects.

5. Receiving state guidance and assistance for land improvement purposes.

6. Receiving state protection if their legitimate right to use land is violated by other people, as well as receiving compensations in case the land allotted to them is revoked.

7. Contributing their land to engage in production or business joint ventures suitable with the goals set at the time of land allotment.

8. Filing complaints or making denunciations against violations of their legitimate right to use land or against any other acts which are at variance with the law on land.

Article 74. To meet production or everyday life requirements, households and individuals who receive state-allotted agricultural or forest land for afforestation or housing development purposes may transfer the right to use land provided that they utilize the newly acquired land to meet projected goals and abide by the terms set at the time of land allotment.

Article 75. 1. Households and individuals who use agricultural or forest land to meet afforestation development purposes may transfer the right to use land under the following circumstances:

a. Relocation.
b. Changes in employment.
c. Loss of the ability to make direct use of the land.

2. If they must move to other localities or if their housing needs no longer exist, households and invidividuals may transfer the right to use those plots of land for housing purposes.

The transfer of the right to use land must be approved by an authorized state agency and the beneficiaries must use the transferred land according to set goals.

2. Article 76. 1. Regarding those individuals who pass away after receiving state-allotted agricultural land to meet seasonal crop planting or aquacultural development purposes, their right to use land shall be transferred to their successors as stipulated by the law on inheritance.

2. Regarding those households who receive state-allotted agricultural land to meet seasonal crop planting or aquacultural development purposes, the right to use land of any deceased family member shall be transferred to the surviving family members. If none of the beneficiaries is living, then the state shall revoke their land.

3. Regarding those individuals and family members who pass away after receiving state-allotted agricultural land to meet perennial crop planting purposes or state-allotted forest land to meet afforestation or housing development purposes, their right to use land shall be transferred to their successors as stipulated by the law on inheritance.

Article 77. 1. Households and individuals who put their agricultural or forest land to work to meet afforestation development purposes shall have the right to use their land as collateral to apply for loans from state banks and other government-approved credit institutions to support production.

2. To meet production or everyday life requirements, households and individuals who make use of land to meet housing purposes shall have the right to use their land as collateral to obtain loans from Vietnamese economic organizations or Vietnamese citizens.

Article 78. Regarding those households and individuals who use agricultural or forest land for seasonal crop planting or aquacultural development purposes but are short of manpower, encounter difficulties, or who change employment but still cannot settle down, they may rent out their land to other people for a period not exceeding three years. Under particularly difficult circumstances, a longer term may be allowed depending on government regulations. The lessees must use land according to set goals.

Article 79. Land users have the following duties:

1. Using land to meet set goals and keeping to set boundaries and other requirements determined at the time of land allotment.

2. Adopting measures to protect land and improve its fertility.

3. Complying with environment protection regulations and refraining from causing any damage to the legitimate interest of other land users in nearby areas.

4. Paying taxes on land use and on the transfer of the right to use land, as well as land registration fees as stipulated by law.

5. Paying cost of land use at the time of land allotment as required by law.

6. Paying compensations to land users whose land has been revoked for reallotment to them.

7. Returning land to the state upon request.

Chapter V

Regulations Governing the Management of Land Leasing by Foreign Agencies, Foreign Nationals, and International Organizations in Vietnam.

Article 80. The government shall decide on the granting of permission to lease land by foreign agencies, foreign nationals, and international organizations hereby called foreigners, or by overseas Vietnamese residents. The government shall submit the list of lessees' rights and duties to the National Assembly's Standing Committee for decision.

Article 81. 1. Lessees shall have to complete the procedures set by Vietnamese law.

2. Land leasing must be in keeping with economic or technical development plans already approved by authorized agencies based on the law on foreign investment in Vietnam.

Article 82. When it comes to land use, foreign organizations, foreign nationals, international organizations, and overseas Vietnamese residents investing in Vietnam must comply with the provisions of this and other Vietnamese laws unless otherwise specified by agreements reached between the Socialist Republic of Vietnam and foreign countries.

Article 83: The length of time for which a piece of land is rented out to foreign organizations, foreign nationals, or overseas Vietnamese residents investing in Vietnam shall be specified under the law on foreign investment in Vietnam.

The length of time for which a piece of land is leased to establish an embasssy or a consular office shall not exceed 99 years.

Article 84. Foreigners found violating the Vietnamese Law on Land shall be dealt with according to Vietnamese law unless otherwise specified by agreements reached between the Socialist Repubic of Vietnam and foreign countries.

Chapter VI

Measures Against Violations

Article 85. Whoever encroaches onto other people's land, depletes land, illegally transfers the right to use land, or commits other acts violating the law on land shall be subjected to administrative penalties or criminal liability measures depending on the seriousness of their offence.

Article 86: Whoever abuses his position or powers or exceeds his powers in the transfer or revocation of land by permitting the misinterpretation of the purposes of land use at variance with the stipulations of the law, condoning those violating the law on land, or causing damage to land or to the legitimate rights and interests of land users, shall be subjected to administrative penalties or criminal liability measures depending on the seriousness of their offence.

Article 87: Whoever violates the law on land and causes damage to others shall, apart from being punished as stipulated under Articles 86 and 87 of this law, shall be made to compensate the damaged party.

Chapter VII

Enforcement Clauses

Article 88. This law superseeds the 1988 law on land adopted by the eighth SRV National Assembly on 29 December 1987.

All previous stipulations at variance with this law shall hereby be rescinded.

This law shall take effect as of 15 October 1993.

Article 89: The government shall issue detailed stipulations for the enforcement of this law.

This law was adopted by the third session of the ninth National Assembly on 14 July 1993.

(Signed) Nong Duc Manh, chairman of the National Assembly.